

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

FORM APPROVED  
OMB No. 1004-0136  
Expires November 30, 2000

005

APPLICATION FOR PERMIT TO DRILL OR REENTER

1a. Type of Work: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER		5. Lease Serial No. UTU037167
1b. Type of Well: <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input checked="" type="checkbox"/> Single Zone <input type="checkbox"/> Multiple Zone		6. If Indian, Allottee or Tribe Name
2. Name of Operator WESTPORT OIL & GAS COMPANY LP Contact: RALEEN SEARLE E-Mail: rsearle@westportresourcescorp.com		7. If Unit or CA Agreement, Name and No.
3a. Address 1368 SOUTH 1200 EAST VERNAL, UT 84078	3b. Phone No. (include area code) Ph: 435.781.7044 Fx: 435.781.7094	8. Lease Name and Well No. FEDERAL 1022-33M
4. Location of Well (Report location clearly and in accordance with any State requirements. *) At surface SWSW 686FSL 803FWL 39.90008 N Lat, 109.45122 W Lon At proposed prod. zone		9. API Well No. 43-047-35740-00-X1
14. Distance in miles and direction from nearest town or post office* 54 +/- MILES FROM VERNAL, UT		10. Field and Pool, or Exploratory NATURAL BUTTES
15. Distance from proposed location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) 686' +/-	16. No. of Acres in Lease 1320.00	11. Sec., T., R., M., or Blk. and Survey or Area Sec 33 T10S R22E Mer SLB SME: BLM
18. Distance from proposed location to nearest well, drilling, completed, applied for, on this lease, ft. REFER TO TOPO C	19. Proposed Depth 8500 MD	12. County or Parish UINTAH
21. Elevations (Show whether DF, KB, RT, GL, etc.) 5573 GL	22. Approximate date work will start	13. State UT
		17. Spacing Unit dedicated to this well 40.00
		20. BLM/BIA Bond No. on file
		23. Estimated duration

24. Attachments

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No. 1, shall be attached to this form:

- |   |  |
|---|--|
| 1. Well plat certified by a registered surveyor.  | 4. Bond to cover the operations unless covered by an existing bond on file (see Item 20 above).    |
| 2. A Drilling Plan.   | 5. Operator certification  |
| 3. A Surface Use Plan (if the location is on National Forest System Lands, the SUPO shall be filed with the appropriate Forest Service Office). | 6. Such other site specific information and/or plans as may be required by the authorized officer. |

25. Signature (Electronic Submission)	Name (Printed/Typed) RALEEN SEARLE	Date 05/14/2004
Title REGULATORY ADMINISTRATOR		
Approved by (Signature) (Electronic Submission)	Name (Printed/Typed) HOWARD B CLEAVINGER II	Date 01/24/2005
Title AFM FOR MINERAL RESOURCES Office Vernal		

Application approval does not warrant or certify the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.  
Conditions of approval, if any, are attached.

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

Additional Operator Remarks (see next page)

Electronic Submission #30725 verified by the BLM Well Information System  
For WESTPORT OIL & GAS COMPANY LP, sent to the Vernal  
Committed to AFMSS for processing by LESLIE WALKER on 05/19/2004 (04LW3653AE)

\*\* BLM REVISED \*\* BLM REVISED \*\* BLM REVISED \*\* BLM REVISED \*\* BLM REVISED \*\*

## Revisions to Operator-Submitted EC Data for APD #30725

### Operator Submitted

Lease: UTU-037167

Agreement:

Operator: WESTPORT OIL AND GAS COMPANY  
1368 SOUTH 1200 EAST  
VERNAL, UT 84078  
Ph: 435.781.7044  
Fx: 435.781.7094

Admin Contact: RALEEN SEARLE  
PREPARER  
1368 SOUTH 1200 EAST  
VERNAL, UT 84078  
Ph: 435.781.7044  
Fx: 435.781.7094  
E-Mail: rsearle@westportresourcescorp.com

Tech Contact:

### BLM Revised (AFMSS)

UTU037167

WESTPORT OIL & GAS COMPANY LP  
1368 SOUTH 1200 EAST  
VERNAL, UT 84078  
Ph: 435 789 4433  
Fx: 435 789 4436

RALEEN SEARLE  
REGULATORY ADMINISTRATOR  
1368 SOUTH 1200 EAST  
VERNAL, UT 84078  
Ph: 435.781.7044  
Fx: 435.781.7094  
E-Mail: rsearle@westportresourcescorp.com

FEDERAL  
1022-33M

UT  
UINTAH  
Sec 33 T10S R22E Mer SLB  
SWSW 686FSL 803FWL 39.90008 N Lat, 109.45122 W Lon

NATURAL BUTTES

Well Name: FEDERAL  
Number: 1022-33M

Location:  
State: UT  
County: UINTAH  
S/T/R: Sec 33 T10S R22E Mer SLB  
Surf Loc: SWSW 686FSL 803FWL 39.90008 N Lat, 109.45122 W Lon

Field/Pool: NATURAL BUTTES

Bond: CO-1203

**CONDITIONS OF APPROVAL**  
**APPLICATION FOR PERMIT TO DRILL**

Company/Operator: Westport Oil & Gas Company, L.P.

Well Name & Number: FEDERAL 1022-33M

API Number: 43-047-35740

Lease Number: UTU - 037167

Location: SWSW Sec. 33 TWN: 10S RNG: 22E

Agreement: N/A

**NOTIFICATION REQUIREMENTS**

- |                                 |   |   |
|---------------------------------|---|---|
| Location Construction           | - | At least forty-eight hours prior to construction of the location or access roads.   |
| Location Completion             | - | Prior to moving on the drilling rig.  |
| Spud Notice                     | - | At least twenty-four (24) hours prior to spudding the well.   |
| Casing String and Cementing     | - | At least twenty-four (24) hours prior to running casing and cementing all casing strings.   |
| BOP and Related Equipment Tests | - | At least twenty-four (24) hours prior to initiating pressure tests.   |
| First Production Notice         | - | Within five (5) business days after new well begins, or production resumes after well has been off production for more than ninety (90) days. |

For more specific details on notification requirements, please check the Conditions of Approval for Notice to Drill and Surface Use Program.

## CONDITIONS OF APPROVAL FOR NOTICE TO DRILL

Approval of this application does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Be aware fire restrictions may be in effect when location is being constructed and/or when well is being drilled. Contact the appropriate Surface Management Agency for information.

**Submit an electronic copy of all logs run on this well in LAS format. This submission will replace the requirement for submittal of paper logs to the BLM.**

### DRILLING PROGRAM

1. Estimated Depth at Which Oil, Gas, Water, or Other Mineral Bearing Zones are Expected to be Encountered

Report ALL water shows and water-bearing sands encountered to John Mayers of this office prior to setting the next casing string or requesting plugging orders. Faxed copies of State of Utah form OGC-8-X are acceptable. If noticeable water flows are detected, submit samples to this office along with any water analyses conducted.

All usable water and prospectively valuable minerals (as described by BLM at onsite) encountered during drilling, will be recorded by depth and adequately protected. All oil and gas shows will be tested to determine commercial potential.

2. Pressure Control Equipment

The BOP and related equipment shall meet the minimum requirements of Onshore Oil & Gas Order No. 2 for equipment and testing requirements, procedures, etc., for a 3M system and individual components shall be operable as designed. Chart recorders shall be used for all pressure tests.

Test charts, with individual test results identified, shall be maintained on location while drilling and shall be made available to a BLM representative upon request.

If an air compressor is on location and is being utilized to provide air for the drilling medium while drilling, the special drilling requirements in Onshore Oil & Gas Order No. 2, regarding air or gas drilling shall be adhered to. If a mist system is being utilized then the requirement for a deduster shall be waived.

3. Casing Program and Auxiliary Equipment

Surface casing shall have centralizers on the bottom three joints, with a minimum of one centralizer per joint.

As a minimum, the usable water and oil shale resources shall be isolated and/or protected by having a cement top for the production casing at least 200 ft. above the top of the Mahogany Oil Shale, identified at 1,704 ft. If gilsonite is encountered while drilling, it shall be isolated and/or protected via the cementing program.

4. Mud Program and Circulating Medium

Hazardous substances specifically listed by the EPA as a hazardous waste or demonstrating a characteristic of a hazardous waste will not be used in drilling, testing, or completion operations.

5. Coring, Logging and Testing Program

Daily drilling and completion progress reports shall be submitted to this office on a weekly basis.

A cement bond log (CBL) will be run from the production casing shoe to the top of the cement and shall be utilized to determine the bond quality for the production casing. Submit a field copy of the CBL to this office.

6. Notifications of Operations

Operator shall report production data to MMS pursuant to 30 CFR 216.5 using form MMS/3160.

If a replacement rig is contemplated for completion operations, a "Sundry Notice" (Form 3160-5) to that effect will be filed, for prior approval of the AO, and all conditions of this approved plan are applicable during all operations conducted with the replacement rig.

The date on which production is commenced or resumed will be construed for oil wells as the date on which liquid hydrocarbons are first sold or shipped from a temporary storage facility, such as a test tank, and for which a run ticket is required to be generated or, the date on which liquid hydrocarbons are first produced into a permanent storage facility, whichever first occurs; and, for gas wells as the date on which associated liquid hydrocarbons are first sold or shipped from a temporary storage facility, such as a test tank, and for which a run ticket is required to be generated or, the date on which gas is first measured through permanent metering facilities, whichever first occurs.

Should gas be vented or flared without approval beyond the authorized test period, the operator may be directed to shut-in the well until the gas can be captured or approval to continue venting or flaring as uneconomic is granted and the operator shall be required to compensate the lessor for that portion of the gas vented or flared without approval which is determined to have been avoidably lost.

A schematic facilities diagram as required by 43 CFR 3162.7-5(d) shall be submitted to the appropriate Field Office within 60 days of installation or first production, whichever occurs first. All site security regulations as specified in Onshore Oil & Gas Order No. 3 shall be adhered to. All product lines entering and leaving hydrocarbon storage tanks will be effectively sealed in accordance with 43 CFR 3162.7-5 (1).

7. Other Information

All loading lines will be placed inside the berm surrounding the tank battery.

All off-lease storage, off-lease measurement, or commingling on-lease or off-lease will have prior written approval from the AO.

The oil and gas measurement facilities will be installed on the well location. The oil and gas meters will be calibrated in place prior to any deliveries. Tests for meter accuracy will be conducted on initial meter installations and at least quarterly thereafter. The AO will be provided with a date and time for the initial meter calibration and all future meter proving schedules. A copy of the meter calibration reports will be submitted to the Vernal Field Office. All meter measurement facilities will conform to Onshore Oil & Gas Order No. 4 for liquid hydrocarbons and Onshore Oil & Gas Order No. 5 for natural gas measurement.

The use of materials under BLM jurisdiction will conform to 43 CFR 3610.2-3.

There will be no deviation from the proposed drilling and/or workover program without prior approval from the AO. Safe drilling and operating practices must be observed. All wells, whether drilling, producing, suspended, or abandoned will be identified in accordance with 43 CFR 3162.

"Sundry Notice and Report on Wells" (Form 3160-5) will be filed for approval for all changes of plans and other operations in accordance with 43 CFR 3162.3-2.

Section 102(b)(3) of the Federal Oil and Gas Royalty Management Act of 1982, as implemented by the applicable provisions of the operating regulations at Title 43 CFR 3162.4-1(c), requires that "not later than the 5th business day after any well begins production on which royalty is due anywhere on a lease site or allocated to a lease site, or resumes production in the case of a well which has been off production for more than 90 days, the operator shall notify the authorized officer by letter or sundry notice, Form 3160-5, or orally to be followed by a letter or sundry notice, of the date on which such production has begun or resumed."

If you fail to comply with this requirement in the manner and time allowed, you shall be liable for a civil penalty of up to \$10,000 per violation for each day such violation continues, not to exceed a maximum of 20 days. See Section 109(c)(3) of the Federal Oil and Gas Royalty Management Act of 1982 and the implementing regulations at Title 43 CFR 3162.4-1(b)(5)(ii).

APD approval is valid for a period of one (1) year from the signature date. An extension period may be granted, if requested, prior to the expiration of the original approval period.

In the event after-hours approvals are necessary, please contact one of the following individuals:

Ed Forsman (435) 828-7874  
Petroleum Engineer

Kirk Fleetwood (435) 828-7875  
Petroleum Engineer

BLM FAX Machine (435) 781-4410

## EPA'S LIST OF NONEXEMPT EXPLORATION AND PRODUCTION WASTES

While the following wastes are nonexempt, they are not necessarily hazardous.

Unused fracturing fluids or acids

Gas plant cooling tower cleaning wastes

Painting wastes

Oil and gas service company wastes, such as empty drums, drum rinsate, vacuum truck rinsate, sandblast media, painting wastes, spent solvents, spilled chemicals, and waste acids.

Vacuum truck and drum rinsate from trucks and drums, transporting or containing nonexempt waste

Refinery wastes

Liquid and solid wastes generated by crude oil and tank bottom reclaimers

Used equipment lubrication oils

Waste compressor oil, filters, and blowdown

Used hydraulic fluids

Waste solvents

Waste in transportation pipeline-related pits

Caustic or acid cleaners

Boiler cleaning wastes

Boiler refractory bricks

Incinerator ash

Laboratory wastes

Sanitary wastes

Pesticide wastes

Radioactive tracer wastes

Drums, insulation and miscellaneous solids

**SURFACE USE PROGRAM  
CONDITIONS OF APPROVAL (COAs)**

- If any paleontological or cultural materials are encountered, stop work immediately and report the find to this office.
- No construction or drilling may occur from May 15 through June 20 to protect pronghorn antelope kidding season.
- The seed mix for this location shall be:

Indian Ricegrass	<i>Achnatherum hymenoides</i>	4 lbs./acre
Shadscale	<i>Atriplex confertifolia</i>	3 lbs./acre
Black sage	<i>Artemisia nova</i>	1 lbs./acre
Needle and Threadgrass	<i>Hesperostipa comata ssp. comata</i>	4 lbs./acre

  - All pounds are in pure live seed.
  - Reseeding may be required if first seeding is not successful.
- 4 to 6 inches of topsoil shall be stripped from the location and windrowed as shown on the cut sheet. The topsoil shall then be broadcast seeded with the recommended seed mix immediately after it has been windrowed and the seed walked into the soil with a dozer.
- The topsoil from the reserve pit shall be stripped and piled separately near the reserve pit. When the reserve pit is closed, it shall be recontoured and the topsoil respread, and the area shall be seeded in the same manner as the location topsoil.
- Once the location is plugged and abandoned, it shall be recontoured to natural contours, topsoil respread where appropriate, and the entire location seeded with the recommended seed mix. Seeding shall take place by broadcasting the seed and walking it into the soil with a dozer immediately after the dirt work is completed.



UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

FORM APPROVED  
OMB No. 1004-0136  
Expires November 30, 2000

001

APPLICATION FOR PERMIT TO DRILL OR REENTER

5. Lease Serial No.  
UTU-037167

6. If Indian, Allottee or Tribe Name

1a. Type of Work: ☒ DRILL ☐ REENTER

7. If Unit or CA Agreement, Name and No.

1b. Type of Well: ☐ Oil Well ☒ Gas Well ☐ Other ☒ Single Zone ☐ Multiple Zone

8. Lease Name and Well No.  
FEDERAL 1022-33M

2. Name of Operator  
WESTPORT OIL AND GAS COMPANY  
Contact: RALEEN SEARLE  
E-Mail: rsearle@westportresourcescorp.com

9. API Well No.  
43-047-35740

3a. Address  
1368 SOUTH 1200 EAST  
VERNAL, UT 84078

3b. Phone No. (include area code)  
Ph: 435.781.7044  
Fx: 435.781.7094

10. Field and Pool, or Exploratory  
NATURAL BUTTES

4. Location of Well (Report location clearly and in accordance with any State requirements.)\*

At surface SWSW 686FSL 803FWL 39.90008 N Lat, 109.45122 W Lon  
At proposed prod. zone 632459 X 39.89993  
4417591 Y - 109.44951

11. Sec., T., R., M., or Blk. and Survey or Area

Sec 33 T10S R22E Mer SLB  
SME: BLM

14. Distance in miles and direction from nearest town or post office\*  
54 +/- MILES FROM VERNAL, UT

12. County or Parish  
UINTAH  
13. State  
UT

15. Distance from proposed location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any)  
686' +/-

16. No. of Acres in Lease  
1320.00

17. Spacing Unit dedicated to this well  
40.00

18. Distance from proposed location to nearest well, drilling, completed, applied for, on this lease, ft.  
REFER TO TOPO C

19. Proposed Depth  
8500 MD

20. BLM/BIA Bond No. on file  
CO-1203

21. Elevations (Show whether DF, KB, RT, GL, etc.)  
5573 GL

22. Approximate date work will start

23. Estimated duration

24. Attachments

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No. 1, shall be attached to this form:

1. Well plat certified by a registered surveyor.
2. A Drilling Plan.
3. A Surface Use Plan (if the location is on National Forest System Lands, the SUPO shall be filed with the appropriate Forest Service Office).
4. Bond to cover the operations unless covered by an existing bond on file (see Item 20 above).
5. Operator certification
6. Such other site specific information and/or plans as may be required by the authorized officer.

25. Signature (Electronic Submission) *Raleen Searle* Name (Printed/Typed) RALEEN SEARLE Date 05/14/2004

Title  
PREPARER

Approved by Signature *Bradley G Hill* Name (Printed/Typed) BRADLEY G. HILL Date 05-19-04

Title Office ENVIRONMENTAL SCIENTIST III

Application approval does not warrant or certify the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.  
Conditions of approval, if any, are attached.

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

Additional Operator Remarks (see next page)

Electronic Submission #30725 verified by the BLM Well Information System  
For WESTPORT OIL AND GAS COMPANY, sent to the Vernal

RECEIVED  
MAY 18 2004

DIV. OF OIL, GAS & MINING

\*\* OPERATOR-SUBMITTED \*\* OPERATOR-SUBMITTED \*\* OPERATOR-SUBMITTED \*\*

**T10S, R22E, S.L.B.&M.**

**WESTPORT OIL AND GAS COMPANY, L.P.**

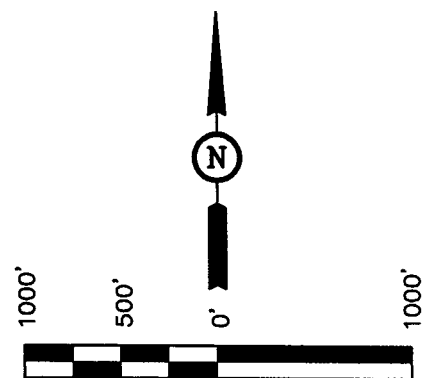
Well location, FEDERAL #1022-33M, located as shown in the SW 1/4 SW 1/4 of Section 33, T10S, R22E, S.L.B.&M. Uintah County, Utah.

**BASIS OF ELEVATION**

TWO WATER TRIANGULATION STATION LOCATED IN THE NW 1/4 OF SECTION 1, T10S, R21E, S.L.B.&M. TAKEN FROM THE BIG PACK MTN NE, QUADRANGLE, UTAH, UTAH COUNTY, 7.5 MINUTE QUAD. (TOPOGRAPHIC MAP) PUBLISHED BY THE UNITED STATES DEPARTMENT OF THE INTERIOR, GEOLOGICAL SURVEY. SAID ELEVATION IS MARKED AS BEING 5238 FEET.

**BASIS OF BEARINGS**

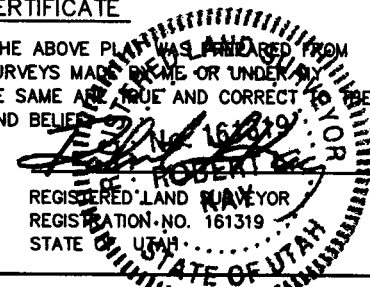
BASIS OF BEARINGS IS A G.P.S. OBSERVATION.



SCALE

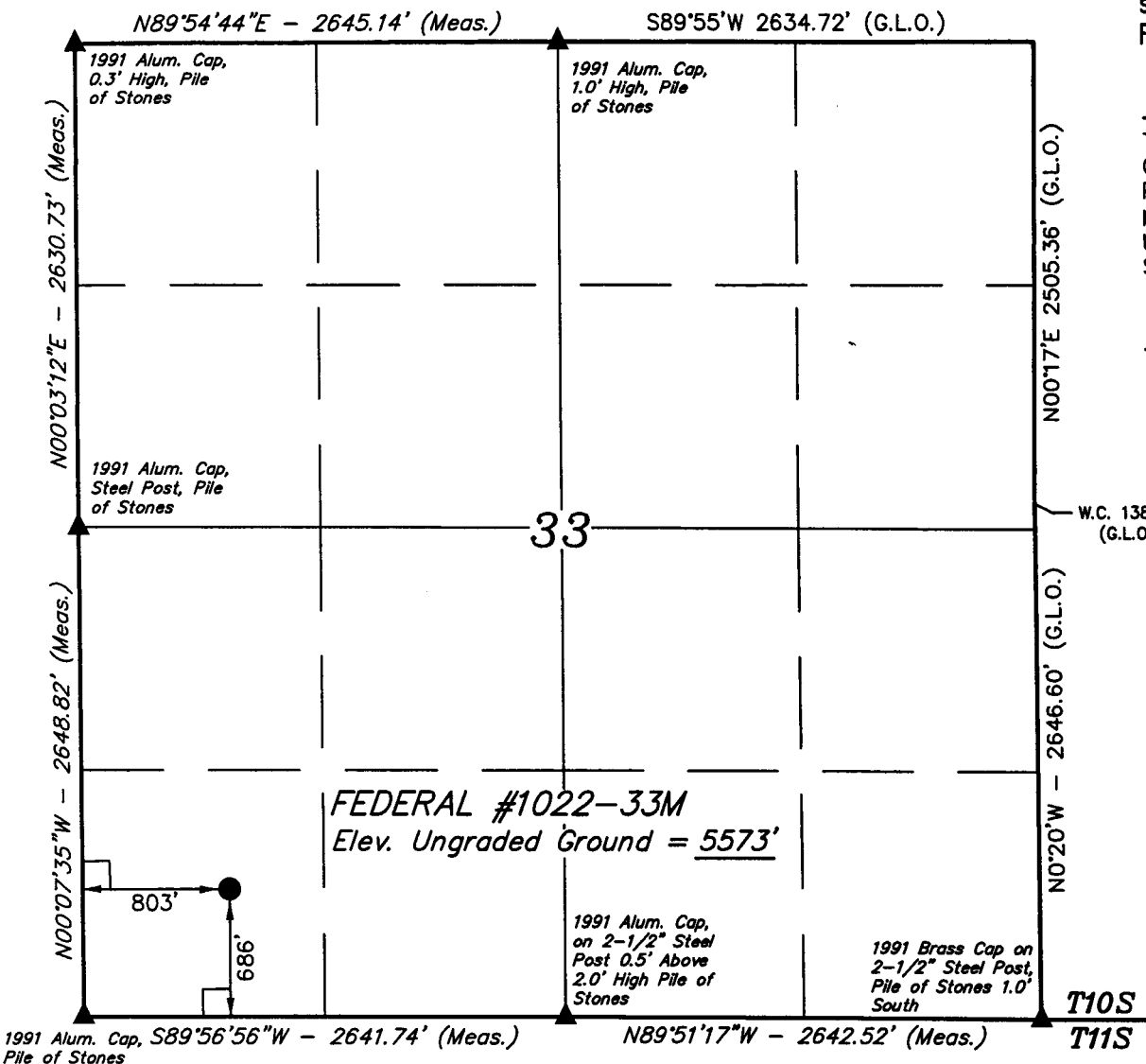
**CERTIFICATE**

THIS IS TO CERTIFY THAT THE ABOVE PLAT WAS PREPARED FROM FIELD NOTES OF ACTUAL SURVEYS MADE BY ME OR UNDER MY SUPERVISION AND THAT THE SAME ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF.



**UINTAH ENGINEERING & LAND SURVEYING**  
 85 SOUTH 200 EAST - VERNAL, UTAH 84078  
 (435) 789-1017

SCALE 1" = 1000'	DATE SURVEYED: 3-19-04	DATE DRAWN: 3-26-04
PARTY G.O. K.G. C.G.	REFERENCES G.L.O. PLAT	
WEATHER COOL	FILE	WESTPORT OIL AND GAS COMPANY, L.P.



**LEGEND:**

- └─┘ = 90° SYMBOL
- = PROPOSED WELL HEAD.
- ▲ = SECTION CORNERS LOCATED.

(NAD 83)  
 LATITUDE = 39°54'00.28" (39.900078)  
 LONGITUDE = 109°27'04.39" (109.451219)

**FEDERAL #1022-33M  
SW/SW SECTION 33, T10S, R22E  
UINTAH COUNTY, UTAH  
UTU-037167**

**ONSHORE ORDER NO. 1**

***DRILLING PROGRAM***

**1. Estimated Tops of Important Geologic Markers:**

<u>Formation</u>	<u>Depth</u>
Uinta	0- Surface
Green River	1000'
Wasatch	4050'
Mesaverde	6450'
TD	8500'

**2. Estimated Depths of Anticipated Water, Oil, Gas, or Mineral Formations:**

<u>Substance</u>	<u>Formation</u>	<u>Depth</u>
	Green River	1000'
Gas	Wasatch	4050'
Gas	Mesaverde	6450'
Water	N/A	
Other Minerals	N/A	

**3. Pressure Control Equipment (Schematic Attached)**

*Please refer to the attached Drilling Program.*

**4. Proposed Casing & Cementing Program:**

*Please refer to the attached Drilling Program.*

**5. Drilling Fluids Program:**

*Please refer to the attached Drilling Program.*

**6. Evaluation Program:**

*Please refer to the attached Drilling Program.*

**7. Abnormal Conditions:**

Maximum anticipated bottomhole pressure calculated at 8500' TD, approximately equals 3400 psi (calculated at 0.4 psi/foot).

Maximum anticipated surface pressure equals approximately 1530 psi (bottomhole pressure minus the pressure of a partially evacuated hole calculated at 0.22 psi/foot).

8. **Anticipated Starting Dates:**

*Drilling is planned to commence immediately upon approval of this application.*

9. **Variances:**

*Please refer to the attached Drilling Program.*

10. **Other Information:**

*Please refer to the attached Drilling Program.*





# Westport Oil and Gas Company, L.P.

## DRILLING PROGRAM

### CASING PROGRAM

	SIZE	INTERVAL	WT.	GR.	CPLG.	DESIGN FACTORS		
						BURST	COLLAPSE	TENSION
CONDUCTOR	14"	0-40'				2270	1370	254000
SURFACE	9-5/8"	0 to 1700	32.30	H-40	STC	0.89	1.72	5.28
						7780	6350	201000
PRODUCTION	4-1/2"	0 to 8500	11.60	M-80 or I-80	LTC	3.05	1.44	2.34

- 1) Max Anticipated Surf. Press.(MASP) (Surface Casing) = (Pore Pressure at next csg point-(0.22 psi/ft-partial evac gradient x TVD of next csg point)
- 2) MASP (Prod Casing) = Pore Pressure at TD - (.22 psi/ft-partial evac gradient x TD)
- (Burst Assumptions: TD = 10.0 ppg) .22 psi/ft = gradient for partially evac wellbore
- (Collapse Assumption: Fully Evacuated Casing, Max MW) (Tension Assumptions: Air Weight of Casing\*Buoy.Fact. of water)
- MASP 2550 psi

\*\*\*\*\* Burst SF is low but csg is much stronger than formation at 2000'. EMW @ 2000' for 2270# is 21.8 ppg or 1.13 psi/ft

### CEMENT PROGRAM

		FT. OF FILL	DESCRIPTION	SACKS	EXCESS	WEIGHT	YIELD
SURFACE	LEAD	500	Premium cmt + 2% CaCl + .25 pps flocele	215	60%	15.60	1.18
Option 1	TOP OUT CMT (1)	200	20 gals sodium silicate + Premium cmt + 2% CaCl + .25 pps flocele	50		15.60	1.18
	TOP OUT CMT (2)	as required	Premium cmt + 2% CaCl	as req.		15.60	1.18
SURFACE			<b>NOTE: If well will circulate water to surface, option 2 will be utilized</b>				
Option 2	LEAD	1500	Prem cmt + 16% Gel + 10 pps gilsonite +.25 pps Flocele + 3% salt BWOC	170	35%	11.00	3.82
	TAIL	500	Premium cmt + 2% CaCl + .25 pps flocele	180	35%	15.60	1.18
	TOP OUT CMT	as required	Premium cmt + 2% CaCl	as req.		15.60	1.18
PRODUCTION	LEAD	3,550'	Premium Lite II + 3% KCl + 0.25 pps celloflake + 5 pps gilsonite + 10% gel + 0.5% extender	390	60%	11.00	3.38
	TAIL	4,950'	50/50 Poz/G + 10% salt + 2% gel +.1% R-3	1390	60%	14.30	1.31

\*Substitute caliper hole volume plus 0% excess for LEAD if accurate caliper is obtained

\*Substitute caliper hole volume plus 15% excess for TAIL if accurate caliper is obtained

### FLOAT EQUIPMENT & CENTRALIZERS

SURFACE	Guide shoe, 1 jt, insert float. Centralize first 3 joints with bow spring centralizers. Thread lock guide shoe.
PRODUCTION	Float shoe, 1 jt, float collar. Centralize first 3 joints & every third joint to top of tail cement with bow spring centralizers.

### ADDITIONAL INFORMATION

Test casing head to 750 psi after installing. Test surface casing to 1,500 psi prior to drilling out.

BOPE: 11" 3M with one annular and 2 rams. Test to 3,000 psi (annular to 1,500 psi) prior to drilling out. Record on chart recorder & tour sheet. Function test rams on each trip. Maintain safety valve & inside BOP on rig floor at all times. Kelly to be equipped with upper & lower kelly valves.

Drop Tolco surveys every 2000'. Maximum allowable hole angle is 5 degrees.

DRILLING ENGINEER:

Brad Laney

DATE:

DRILLING SUPERINTENDENT:

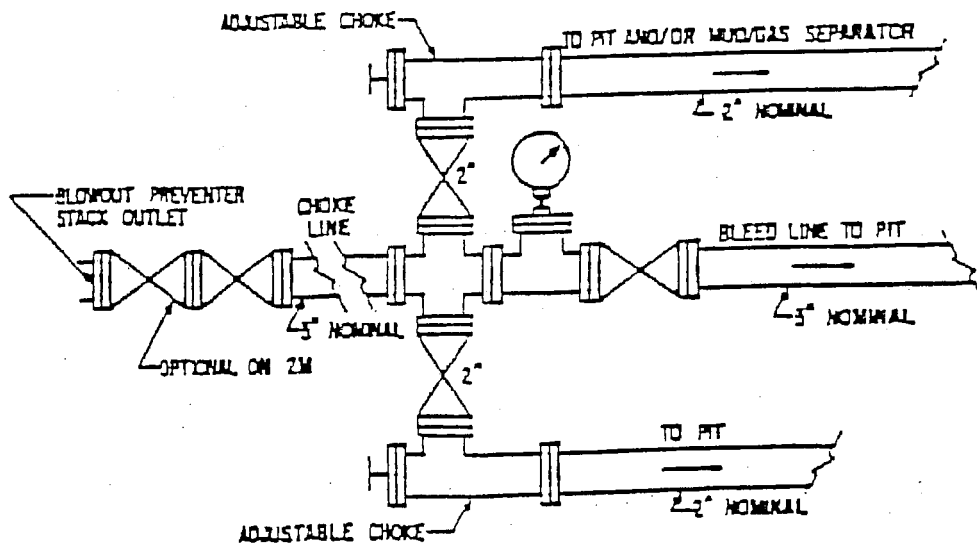
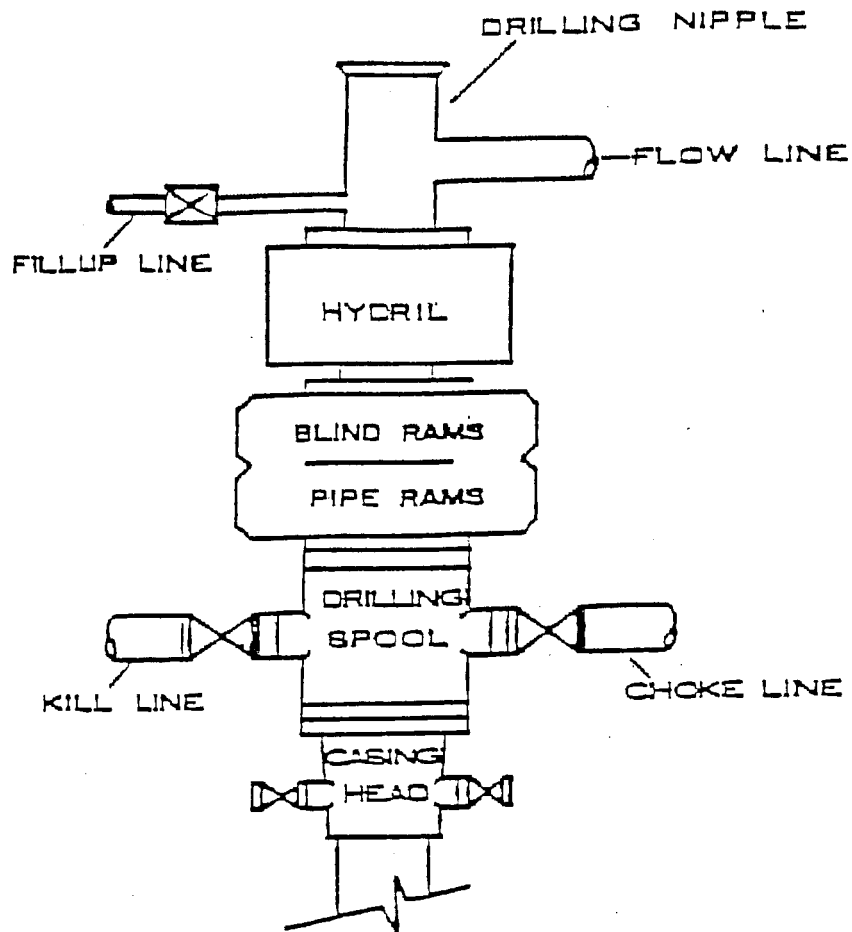
Randy Bayne

DATE:

DHD\_FED1022-33M\_APD

3,000 PSI

## BOP STACK



**FEDERAL #1022-33M  
SW/SW SECTION 33, T10S, R22E  
UINTAH COUNTY, UTAH  
U-037167**

**ONSHORE ORDER NO. 1**

***MULTI-POINT SURFACE USE & OPERATIONS PLAN***

**1. Existing Roads:**

Directions to the proposed location are attached.

Refer to Topo Maps A and B for location of access roads within a 2-mile radius.

All existing roads will be maintained and kept in good repair during all drilling and completion operations associated with this well.

**2. Planned Access Roads:**

The proposed access road is approximately 0.4 miles +/- . Refer to Topo Map B.

The portion of the access road that crosses lease in the N/2 of the SW/4 will require a right-of-way.

The access road will be crowned (2 to 3%), ditched and constructed with a running surface of 18 feet and a maximum disturbed width of 30 feet. Graveling or capping the roadbed will be performed as necessary to provide a well constructed, safe road. Prior to construction or upgrading, the proposed road shall be cleared of any snow and allowed to dry completely.

Surface disturbance and vehicular traffic will be limited to the proposed location and proposed access route. Any additional area needed will be approved in advance. All construction shall be in conformance with the standards outlined in the BLM and Forest Service publication: Surface Operating Standards for Oil and Gas Exploration and Development. 1989.

The road surface and shoulders will be kept in a safe and usable condition and will be maintained in accordance with the original construction standards. All drainage ditches will be kept clear and free-flowing and will be maintained according to original construction standards. The access road surface will be kept free of trash during operations. All traffic will be confined to the approved disturbed surface. Road drainage crossings shall be designed so they will not cause siltation or accumulation of debris in the drainage crossing or shall the drainages be blocked by the road bed. Erosion of drainage ditches by runoff water shall be prevented by diverting water off at frequent intervals by means of cutouts. Should mud holes develop, they shall be filled in and detours around them avoided. When snow is removed from the road during the winter months, the snow shall be pushed outside of the borrow ditches, and the turnouts kept clear so that snowmelt will be channeled away from the road.

**3. Location of Existing Wells Within a 1-Mile Radius:**

Please refer to Topo Map C.



**4. Location of Existing & Proposed Facilities & Pipelines:**

*The following guidelines will apply if the well is productive.*

All production facilities will be located on the disturbed portion of the well pad and at a minimum of 25 feet from the toe of the back slope or the top of the fill slope.

A dike will be constructed completely around those production facilities which contain fluids (i.e., production tanks, produced water tanks, and/or heater/treater). These dikes will be constructed of compacted subsoil, be impervious, hold 100% of the capacity of the largest tank, and be independent of the back cut.

All permanent (on-site six months or longer) above the ground structures constructed or installed, including pumping units, will be painted a flat, non-reflective, earthtone color to match one of the standard environmental colors, as determined by the five state Rocky Mountain Inter-Agency Committee.

All facilities will be painted within six months of installation. Facilities required to comply with the Occupational Safety and Health Act (OSHA) will be excluded. The requested color is Carlsbad Canyon (2.5 Y 6/2) as determined during the on-site inspection.

Any necessary pits will be properly fenced to protect livestock and prevent wildlife entry.

Approximately 2200' of up to 6" pipeline is proposed. The pipeline will be butt-welded together. The portion of the pipeline that crosses leases in the N/2 of the SW/4 will require a Right-of-way. Refer to Topo Map D for the placement of the proposed pipeline.

**5. Location and Type of Water Supply:**

Water for drilling purposes will be obtained from Dalbo Inc.'s underground well located in Ouray, Utah, Sec.32, T4S,R3E, Water User Claim #43-8496, Application #53617.

Water will be hauled to location over the roads marked on Maps A and B.

No water well is to be drilled on this lease.

**6. Source of Construction Materials:**

Surface and subsoil materials in the immediate area will be utilized.

Any gravel will be obtained from a commercial source.

**7. Methods of Handling Waste Materials:**

Drill cuttings will be contained and buried in the reserve pit.

Drilling fluids, including salts and chemicals, will be contained in the reserve pit. Upon termination of drilling and completion operations, the liquid contents of the reserve pit will be removed and disposed of at an approved waste disposal facility within 120 days after drilling is terminated.

The reserve pit will be constructed on the location and will not be located within natural drainage, where a flood hazard exists or surface runoff will destroy or damage the pit walls. The reserve pit will be constructed so that it will not leak, break, or allow discharge of liquids.

A plastic reinforced liner is to be used as discussed during on-site inspection. It will be a minimum of 16 mil thick and felt, with sufficient bedding used to cover any rocks. The liner will overlap the pit walls and be covered with dirt and/or rocks to hold it in place. No trash or scrap that could puncture the liner will be disposed of in the pit.

Any spills of oil, gas, salt water, or other noxious fluids will be immediately cleaned up and removed to an approved disposal site.

A chemical porta-toilet will be furnished with the drilling rig.

Garbage, trash, and other waste materials will be collected in a portable, self-contained, fully enclosed trash cage during operations. No trash will be burned on location.

All debris and other waste material not contained in the trash cage will be cleaned up and removed from the location immediately after removal of the drilling rig.

Any open pits will be fenced during the operations. The fencing will be maintained until such time as the pits are backfilled.

No chemicals subject to reporting under SARA Title III (hazardous materials) in an amount greater than 10,000 pounds will be used, produced, stored, transported, or disposed of annually in association with the drilling of this well. Furthermore, no extremely hazardous substances, as defined in 40 CFR 355, in threshold planning quantities, will be used, produced, stored, transported, or disposed of in association with the drilling of this well.

*Any produced water from the proposed well will be contained in a water tank and will then be hauled by truck to one of the pre-approved disposal sites: RNI, Sec. 5, T9S, R22E, NBU #159, Sec. 35, T9S, R21E, Ace Oilfield, Sec. 2, T6S, R20E, MC&MC, Sec. 12, T6S, R19E. (Request is in lieu of filing Form 3160-5, after initial production).*

**8. Ancillary Facilities:**

None are anticipated.

**9. Well Site Layout: (See Location Layout Diagram)**

The attached Location Layout Diagram describes drill pad cross-sections, cuts and fills, and locations of the mud tanks, reserve pit, flare pit, pipe racks, trailer parking, spoil dirt stockpile(s), and surface material stockpile(s).

Please see the attached diagram to describe rig orientation, parking areas, and access roads.

39 inch net wire will be used with at least one strand of barbed wire on top of the net wire. Barbed wire is not necessary if pipe or some type of reinforcement rod is attached to the top of the entire fence.

The net wire shall be no more than two inches above the ground. The barbed wire shall be three inches over the net wire. Total height of the fence shall be at least 42 inches.

Corner posts shall be cemented and/or braced in such a manner to keep the fence tight at all times.

Standard steel, wood, or pipe posts shall be used between the corner braces. Maximum distance between any 2 fence posts shall be no greater than 16 feet.

All wire shall be stretched, by using a stretching device, before it is attached to corner posts.

The reserve pit fencing will be on three sides during drilling operations, and on the fourth side when the rig moves off location. Pits will be fenced and maintained until cleanup.

**10. Plans for Reclamation of the Surface:**

*Producing Location:*

Immediately upon well completion, the location and surrounding area will be cleared of all unused tubing, materials, trash, and debris not required for production.

Immediately upon well completion, any hydrocarbons in the pit shall be removed in accordance with 43 CFR 3162.7-1.

Before any dirt work associated with location restoration takes place, the reserve pit shall be as dry as possible. All debris in it will be removed. Other waste and spoil materials will be disposed of immediately upon completion of operations.

The reserve pit and that portion of the location not needed for production facilities/operations will be recontoured to the approximate natural contours. The reserve pit will be reclaimed within 90 days from the date of well completion, weather permitting.

To prevent surface water (s) from standing (ponding) on the reclaimed reserve pit area, final reclamation of the reserve pit will consist of "mounding" the surface three feet above surrounding ground surface to allow the reclaimed pit area to drain effectively.

Upon completion of backfilling, leveling, and recontouring, the stockpiled topsoil will be spread evenly over the reclaimed area(s).

*Dry Hole/Abandoned Location:*

Abandoned well sites, roads, and other disturbed areas will be restored as near as practical to their original condition. Where applicable, these conditions include the re-establishment of irrigation systems, the re-establishment of appropriate soil conditions, and re-establishment of vegetation as specified.

All disturbed surfaces will be recontoured to the approximate natural contours, with reclamation of the well pad and access road to be performed as soon as practical after final abandonment. Reseeding operations will be performed after completion of other reclamation operations.

**11. Surface Ownership:**

United States of America  
Bureau of Land Management  
170 South 500 East  
Vernal, UT 84078  
(435) 789-1362

**12. Wildlife Stipulations:****Antelope Stipulations:**

No drilling or construction commence drilling the antelope season which is from May 15 to June 20.

**13. Other Information:**

A Class III archaeological survey and a paleontological survey will be submitted when they are received by our office.

This location is not within 460' from the boundary of the Natural Buttes Unit, nor is it within 460' of any non-committed tract lying within the boundaries of the unit.

All lease and/or unit operations will be conducted in such a manner that full compliance is made with all applicable laws, regulations, the approved Plan of Operations, and any applicable Notice of Lessees. The Operator is fully responsible for the actions of his subcontractors. A copy of these conditions will be furnished to the field representative to ensure compliance. The Operator will control noxious weeds along Rights-Of-Way for roads, pipelines, well sites, or other applicable facilities.

**Seed Mixture:**

Black Sage	1 lb/acre
Shadscale	3 lb/acre
Indian Rice Grass	4 lb/acre
Needle and Thread	4 lb/acre

**13. Lessee's or Operators's Representative & Certification:**

Raleen Searle  
Regulatory Administrator  
Westport O&G Co.  
1368 South 1200 East  
Vernal, UT 84078  
(435) 781-7044

Randy Bayne  
Drilling Manager  
Westport O&G Co.  
1368 South 1200 East  
Vernal, UT 84078  
(435)781-7018

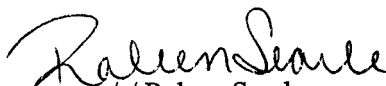
Certification: All lease and/or unit operations will be conducted in such a manner that full compliance is made with all applicable laws, regulations, Onshore Oil and Gas Orders, the approved Plan of Operations, and any applicable Notice to Lessees.

The Operator will be fully responsible for the actions of its subcontractors. A complete copy of the approved "Application for Permit to Drill" will be furnished to the field representative(s) to ensure compliance and shall be on location during all construction and drilling operations.

Westport Oil & Gas Company is considered to be the operator of the subject well. Westport Oil & Gas Company agrees to be responsible under the terms and the conditions of the lease for the operations conducted upon leased lands.

Bond coverage pursuant to 43 CFR 3104 for the lease activities is being provided by BLM Nationwide Bond #CO-1203.

I hereby certify that the proposed drill site and access route has been inspected and that I am familiar with the conditions that currently exist; that the statements made in this plan are, to the best of my knowledge, true and correct; and the work associated with the operations proposed herein will be performed by the Operator, its contractors, and subcontractors in conformity with this plan and the terms and conditions under which it is approved.

  
/s/ Raleen Searle  
Raleen Searle

May 13, 2004  
Date

**WESTPORT OIL AND GAS COMPANY, L.P.**  
**FEDERAL #1022-33M**  
**SECTION 33, T10S, R22E, S.L.B.&M.**

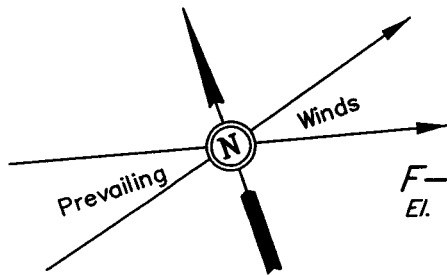
**PROCEED IN A WESTERLY DIRECTION FROM VERNAL, UTAH ALONG U.S. HIGHWAY 40 APPROXIMATELY 14.0 MILES TO THE JUNCTION OF STATE HIGHWAY 88; EXIT LEFT AND PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 17.0 MILES TO OURAY, UTAH; PROCEED ALONG THE SEEP RIDGE ROAD APPROXIMATELY 11.2 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE EAST; TURN LEFT AND PROCEED IN AN EASTERLY, THEN SOUTHEASTERLY DIRECTION APPROXIMATELY 9.6 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTHEAST; TURN RIGHT AND PROCEED IN A SOUTHEASTERLY DIRECTION APPROXIMATELY 1.1 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTH; TURN RIGHT AND PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 0.2 MILES TO THE BEGINNING OF THE PROPOSED ACCESS FOR THE STATE #1022-32H TO THE EAST; FOLLOW ROAD FLAGS IN A EASTERLY DIRECTION APPROXIMATELY 0.1 MILES TO THE BEGINNING OF THE PROPOSED ACCESS FOR THE STATE #1022-32I TO THE SOUTH; FOLLOW ROAD FLAGS IN A SOUTHERLY, THEN SOUTHEASTERLY, THEN SOUTHERLY DIRECTION APPROXIMATELY 0.3 MILES TO THE BEGINNING OF THE PROPOSED ACCESS FOR THE FEDERAL #1022-33L TO THE EAST; FOLLOW ROAD FLAGS IN A EASTERLY, THEN SOUTHEASTERLY DIRECTION APPROXIMATELY 0.3 MILES TO THE BEGINNING OF THE PROPOSED ACCESS TO THE EAST; FOLLOW ROAD FLAGS IN A EASTERLY, THEN SOUTHERLY DIRECTION APPROXIMATELY 0.4 MILES TO THE PROPOSED LOCATION.**

**TOTAL DISTANCE FROM VERNAL, UTAH TO THE PROPOSED WELL LOCATION IS APPROXIMATELY 54.2 MILES.**

LOCATION LAYOUT FOR

FEDERAL #1022-33M  
SECTION 33, T10S, R22E, S.L.B.&M.

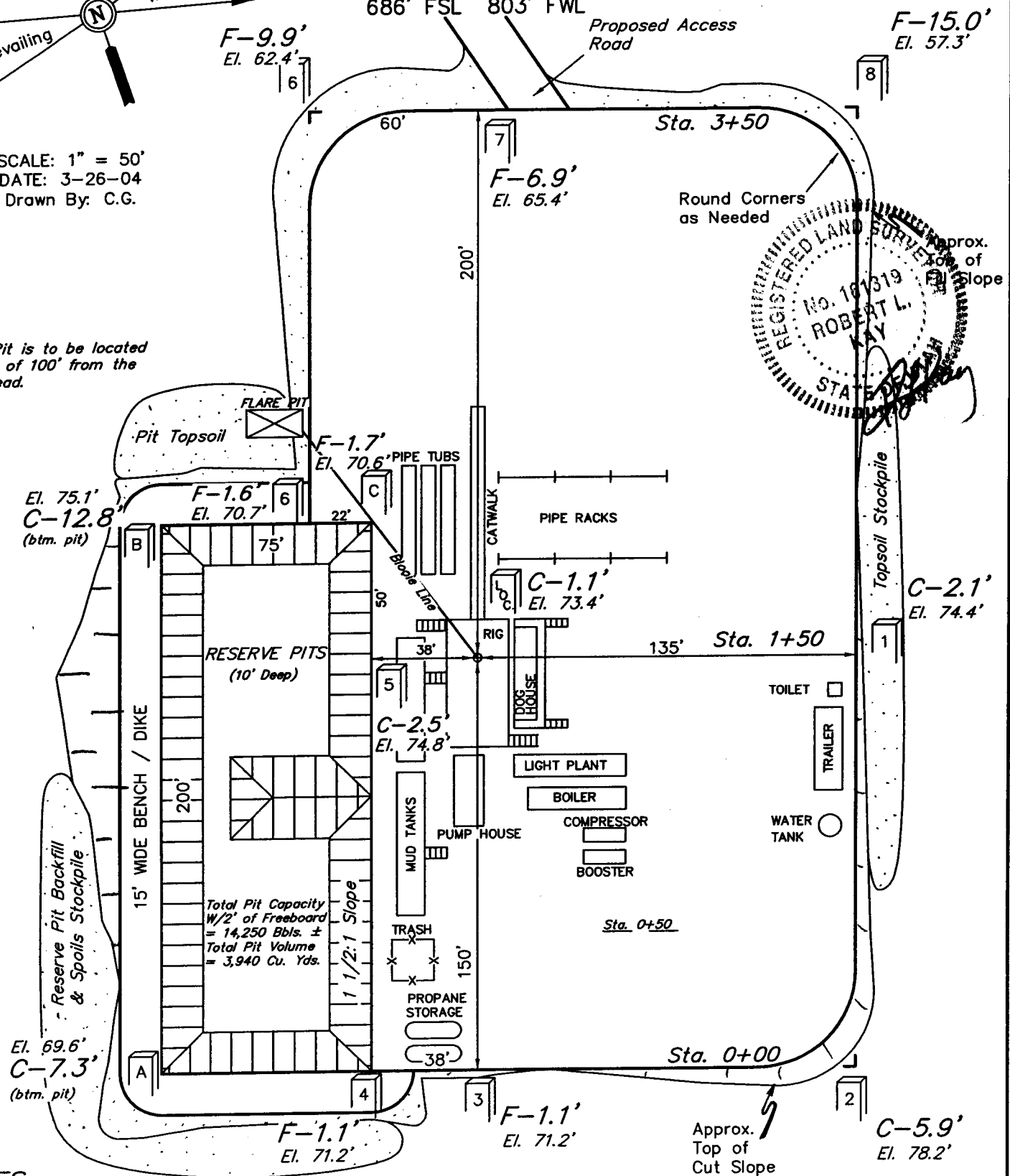
686' FSL 803' FWL



SCALE: 1" = 50'  
DATE: 3-26-04  
Drawn By: C.G.

NOTE:

Flare Pit is to be located  
a min. of 100' from the  
Well Head.



NOTES:

Elev. Ungraded Ground At Loc. Stake = 5573.4'  
FINISHED GRADE ELEV. AT LOC. STAKE = 5572.3'

# WESTPORT OIL AND GAS COMPANY, L.P.

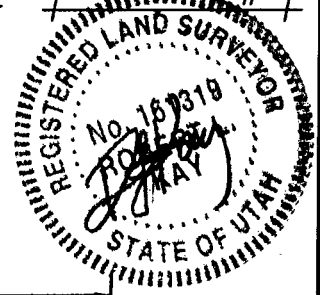
## TYPICAL CROSS SECTIONS FOR

FEDERAL #1022-33M

SECTION 33, T10S, R22E, S.L.B.&M.

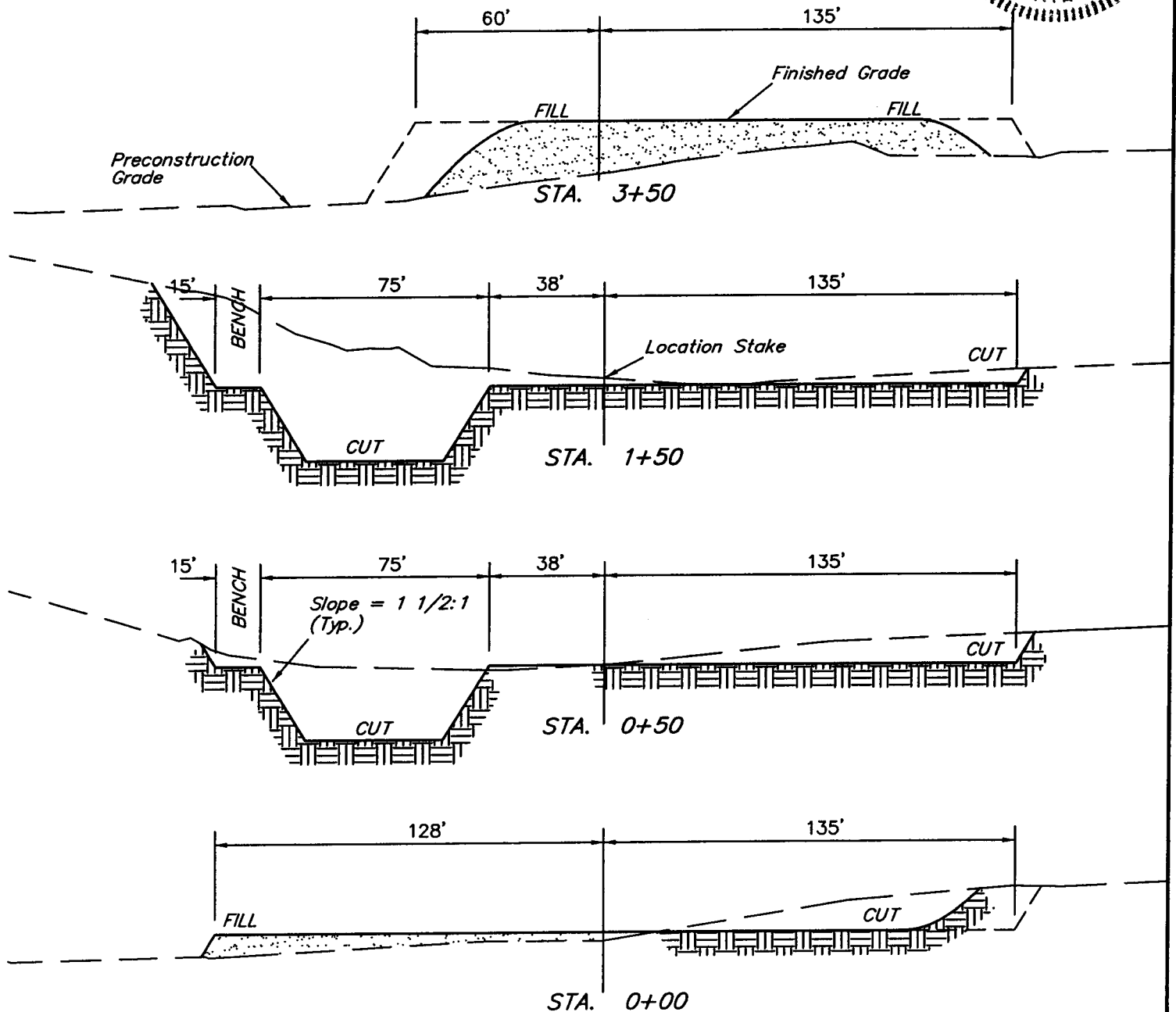
686' FSL 803' FWL

FIGURE #2



1" = 20'  
X-Section  
Scale  
1" = 50'

DATE: 3-26-04  
Drawn By: C.G.



### APPROXIMATE YARDAGES

CUT  
(6") Topsoil Stripping = 1,770 Cu. Yds.  
Remaining Location = 6,940 Cu. Yds.

TOTAL CUT = 8,710 CU.YDS.

FILL = 4,980 CU.YDS.

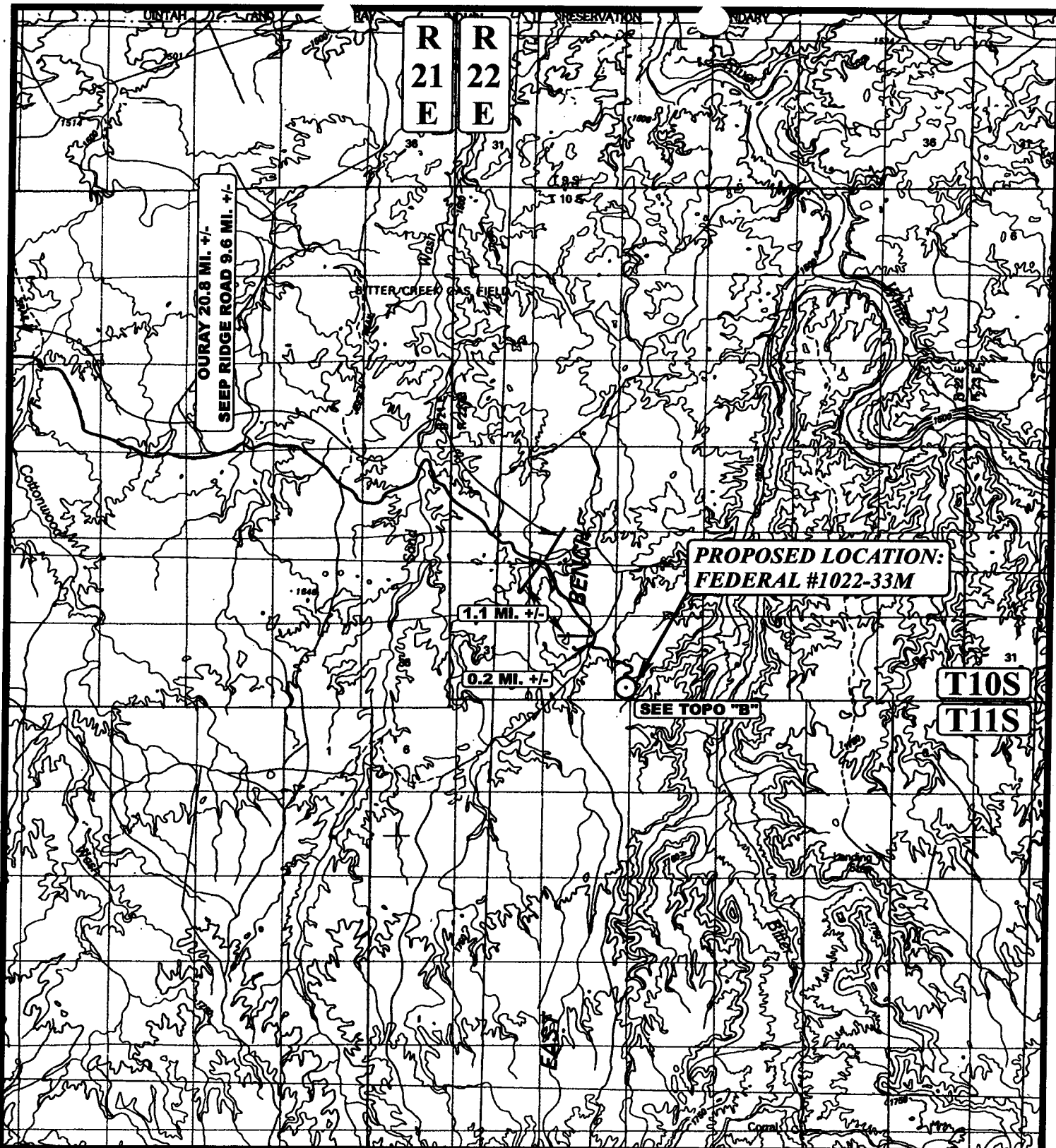
EXCESS MATERIAL AFTER  
5% COMPACTION = 3,730 Cu. Yds.

Topsoil & Pit Backfill  
(1/2 Pit Vol.) = 3,730 Cu. Yds.

EXCESS UNBALANCE  
(After Rehabilitation) = 0 Cu. Yds.

UINTAH ENGINEERING & LAND SURVEYING  
85 So. 200 East \* Vernal, Utah 84078 \* (435) 789-1017





# **LEGEND:**

○ PROPOSED LOCATION



**Uintah Engineering & Land Surveying**  
 85 South 200 East Vernal, Utah 84078  
 (435) 789-1017 \* FAX (435) 789-1813



**WESTPORT OIL AND GAS COMPANY, L.P.**

**FEDERAL #1022-33M**

**SECTION 33, T10S, R22E, S.L.B.&M.**

**686' FSL 803' FWL**

**TOPOGRAPHIC**  
**MAP**

**03** **24** **04**  
 MONTH DAY YEAR

SCALE: 1:100,000 DRAWN BY: K.G. REVISED: 5-5-04

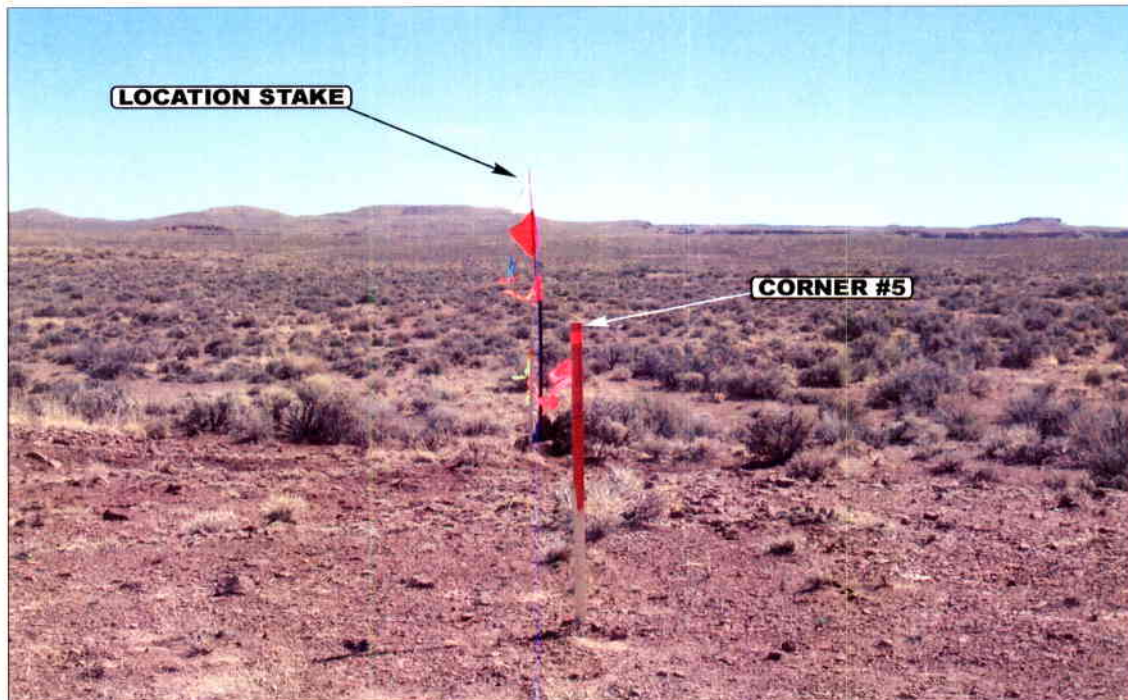


# WESTPORT OIL AND GAS COMPANY, L.P.

**FEDERAL #1022-33M**

**LOCATED IN UINTAH COUNTY, UTAH**

**SECTION 33, T10S, R22E, S.L.B.&M.**



**PHOTO: VIEW FROM CORNER #5 TO LOCATION STAKE**

**CAMERA ANGLE: SOUTHEASTERLY**



**PHOTO: VIEW FROM PROPOSED ACCESS**

**CAMERA ANGLE: EASTERLY**



**UELS** Uintah Engineering & Land Surveying  
85 South 200 East Vernal, Utah 84078  
435-789-1017 uels@uelsinc.com

**LOCATION PHOTOS**

**03 24 04**  
MONTH DAY YEAR

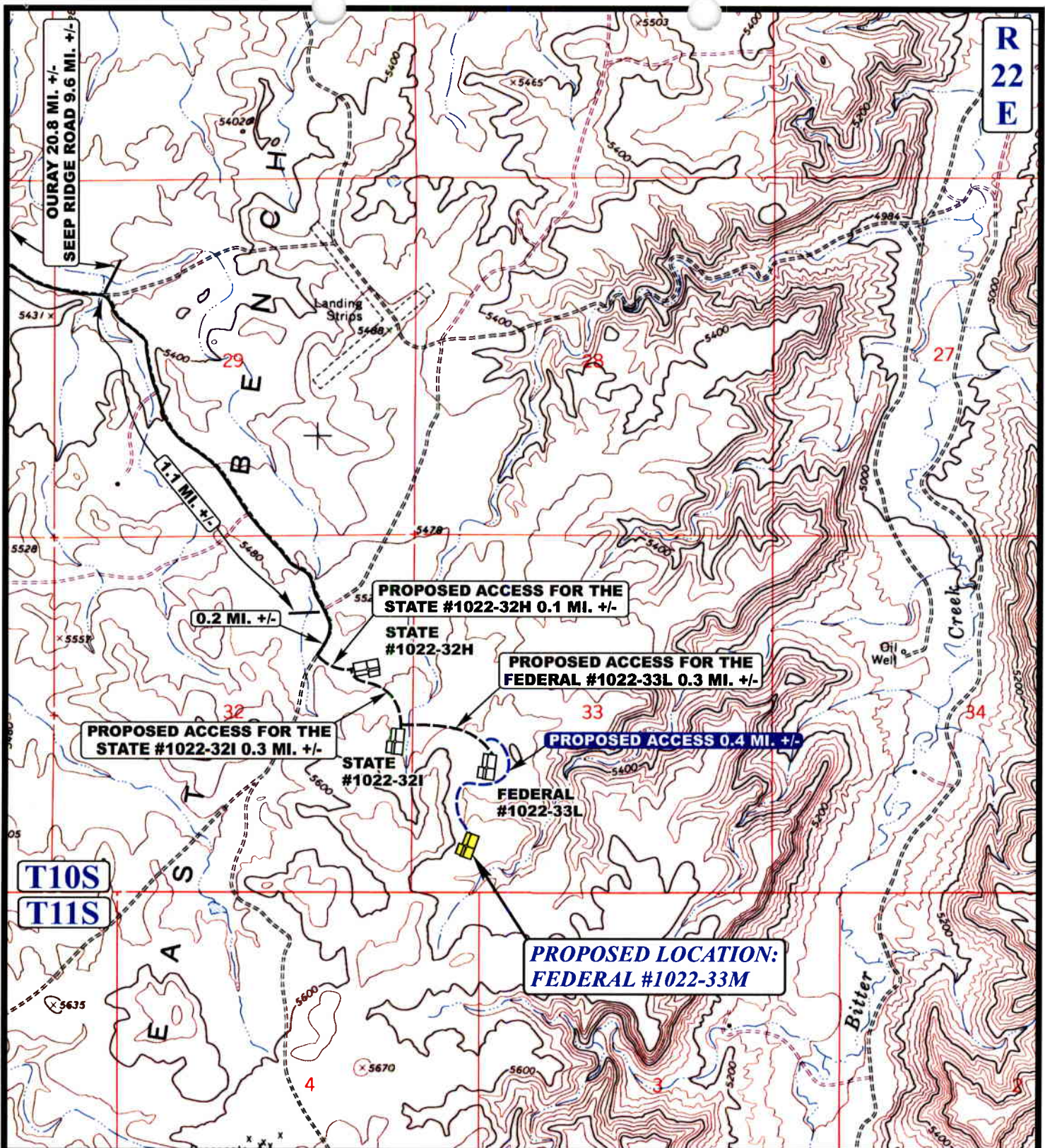
**PHOTO**

TAKEN BY: G.O.

DRAWN BY: T.H.

REVISED: 00-00-00





# **LEGEND:**

----- PROPOSED ACCESS ROAD  
 ————— EXISTING ROAD

**WESTPORT OIL AND GAS COMPANY, L.P.**

**FEDERAL #1022-33M**  
**SECTION 33, T10S, R22E, S.L.B.&M.**  
**686' FSL 803' FWL**



**Uintah Engineering & Land Surveying**  
 85 South 200 East Vernal, Utah 84078  
 (435) 789-1017 \* FAX (435) 789-1813



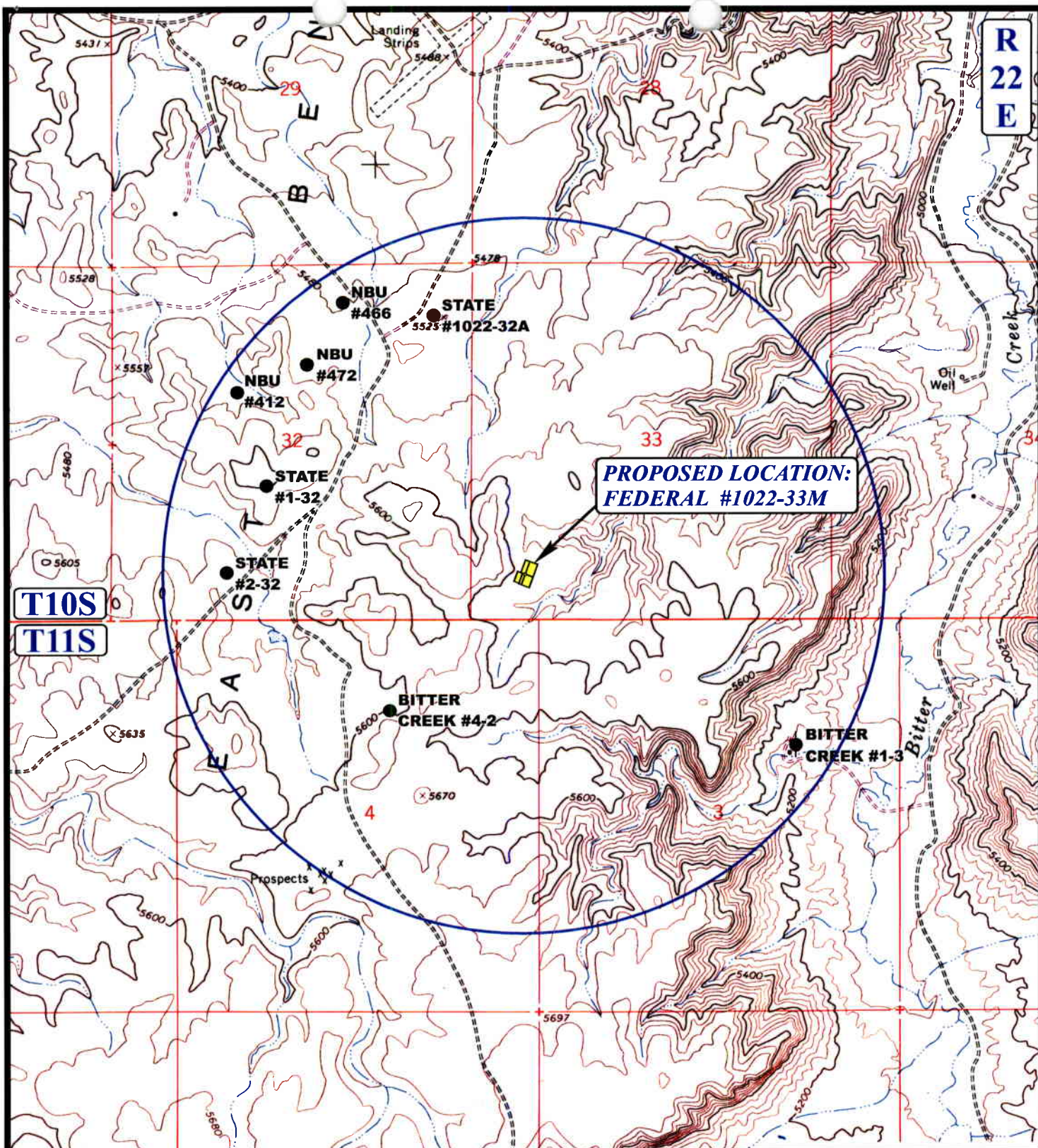
**TOPOGRAPHIC**  
**MAP**

**03** **24** **04**  
 MONTH DAY YEAR

SCALE: 1" = 2000' DRAWN BY: T.H. REV: 5-5-04 K.G.







# **LEGEND:**

- |                   |                         |
|-------------------|-------------------------|
| ⊗ DISPOSAL WELLS  | ⊗ WATER WELLS           |
| ● PRODUCING WELLS | ⊖ ABANDONED WELLS       |
| ● SHUT IN WELLS   | ● TEMPORARILY ABANDONED |



**Uintah Engineering & Land Surveying**  
 85 South 200 East Vernal, Utah 84078  
 (435) 789-1017 \* FAX (435) 789-1813



**WESTPORT OIL AND GAS COMPANY, L.P.**

**FEDERAL #1022-33M**  
**SECTION 33, T10S, R22E, S.L.B.&M.**  
**686' FSL 803' FWL**

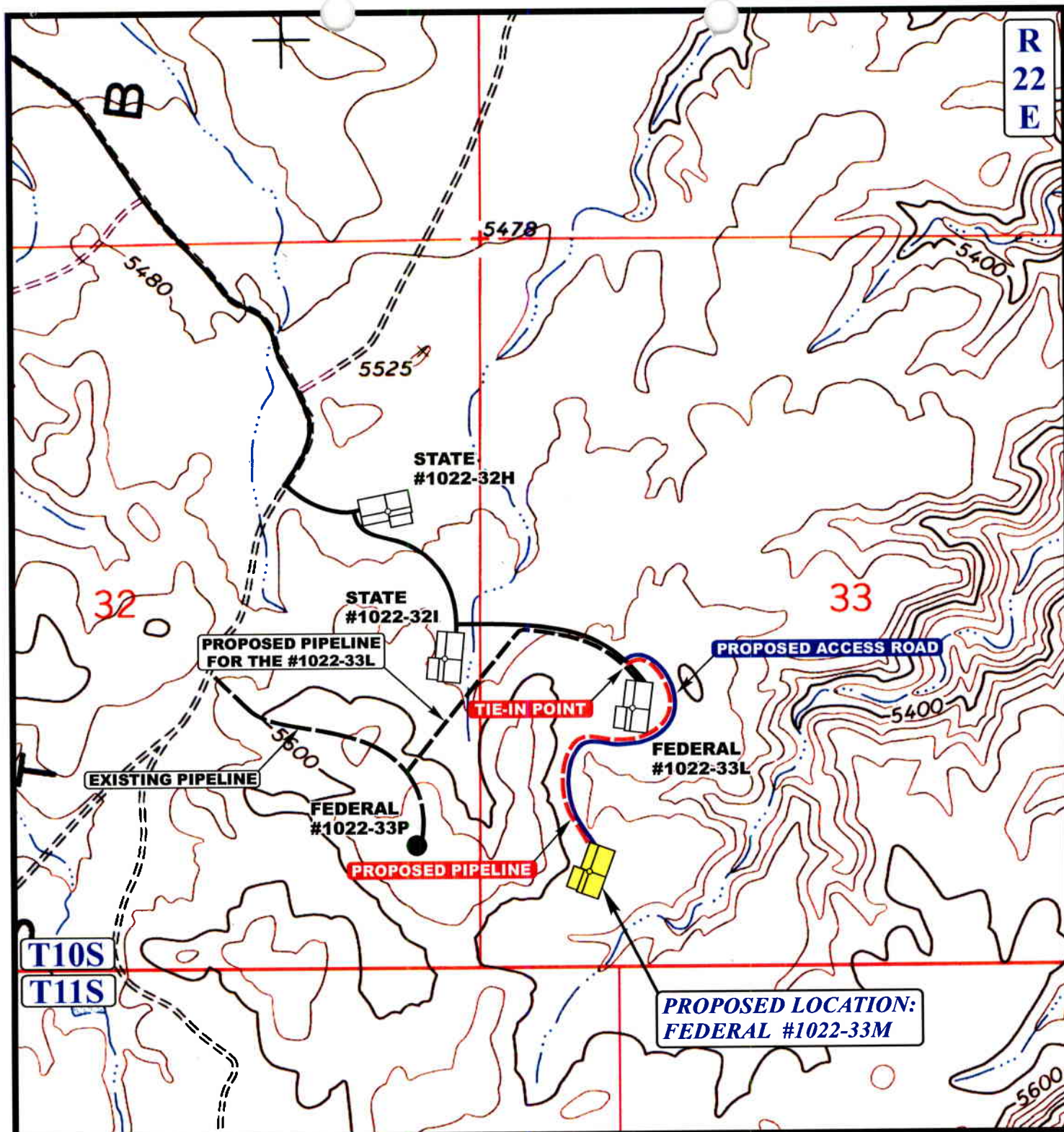
**TOPOGRAPHIC**  
**MAP**

**03 24 04**  
 MONTH DAY YEAR

SCALE: 1" = 2000' DRAWN BY: T.H. REVISED: 00-00-00







**APPROXIMATE TOTAL PIPELINE DISTANCE = 2,200' +/-**

**LEGEND:**

- PROPOSED ACCESS ROAD
- EXISTING PIPELINE
- - - - - PROPOSED PIPELINE



**Uintah Engineering & Land Surveying**  
85 South 200 East Vernal, Utah 84078  
(435) 789-1017 \* FAX (435) 789-1813



**WESTPORT OIL AND GAS COMPANY, L.P.**

**FEDERAL #1022-33M**  
**SECTION 33, T10S, R22E, S.L.B.&M.**  
**686' FSL 803' FWL**

**TOPOGRAPHIC**  
**MAP**

**03 24 04**  
MONTH DAY YEAR

SCALE: 1" = 1000' DRAWN BY: T.H. REV: 5-5-04 K.G.

**D**  
**TOPO**

003

**WORKSHEET**  
**APPLICATION FOR PERMIT TO DRILL**

APD RECEIVED: 05/18/2004

API NO. ASSIGNED: 43-047-35740

WELL NAME: FEDERAL 1022-33MOPERATOR: WESTPORT OIL & GAS CO ( N2115 )CONTACT: RALEEN SEARLEPHONE NUMBER: 435-781-7044

## PROPOSED LOCATION:

SWSW 33 100S 220E

SURFACE: 0686 FSL 0803 FWL

BOTTOM: 0686 FSL 0803 FWL

UINTAH

NATURAL BUTTES ( 630 )

LEASE TYPE: 1 - Federal

LEASE NUMBER: UTU-037167

SURFACE OWNER: 1 - Federal

PROPOSED FORMATION: MVRD

COALBED METHANE WELL? NO

INSPECT LOCATN BY: / /

**Tech Review****Initials****Date**

Engineering

Geology

Surface

LATITUDE: 39.89993

LONGITUDE: 109.44951

## RECEIVED AND/OR REVIEWED:

☒ Plat☒ Bond: Fed[1] Ind[] Sta[] Fee[](No. CO-1203 )☒ Potash (Y/N)☒ Oil Shale 190-5 (B) or 190-3 or 190-13☒ Water Permit(No. 43-8496 )☒ RDCC Review (Y/N)

(Date: \_\_\_\_\_ )

☒ Fee Surf Agreement (Y/N)

## LOCATION AND SITING:

     R649-2-3.

Unit \_\_\_\_\_

☒ R649-3-2. GeneralSiting: 460 From Qtr/Qtr & 920' Between Wells     R649-3-3. Exception     Drilling Unit

Board Cause No: \_\_\_\_\_

Eff Date: \_\_\_\_\_

Siting: \_\_\_\_\_

     R649-3-11. Directional Drill

## COMMENTS: \_\_\_\_\_

## STIPULATIONS: \_\_\_\_\_

1- Federal Approval

2- Spacing Strip

3- OIL SHALE







State of Utah

Department of  
Natural Resources

ROBERT L. MORGAN  
*Executive Director*

Division of  
Oil, Gas & Mining

LOWELL P. BRAXTON  
*Division Director*

OLENE S. WALKER  
*Governor*

GAYLE F. McKEACHNIE  
*Lieutenant Governor*

May 19, 2004

Westport Oil & Gas Company  
1368 South 1200 East  
Vernal, UT 84078

Re: Federal 1022-33M Well, 686' FSL, 803' FWL, SW SW, Sec. 33, T. 10 South,  
R. 22 East, Uintah County, Utah

Gentlemen:

Pursuant to the provisions and requirements of Utah Code Ann. § 40-6-1 *et seq.*, Utah Administrative Code R649-3-1 *et seq.*, and the attached Conditions of Approval, approval to drill the referenced well is granted.

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date. The API identification number assigned to this well is 43-047-35740.

Sincerely,

John R. Baza  
Associate Director

pab  
Enclosures

cc: Uintah County Assessor  
Bureau of Land Management, Vernal District Office



**Operator:** Westport Oil & Gas Company  
**Well Name & Number** Federal 1022-33M  
**API Number:** 43-047-35740  
**Lease:** UTU-037167

**Location:** SW SW                      **Sec.** 33                      **T.** 10 South                      **R.** 22 East

### **Conditions of Approval**

**1. General**

Compliance with the requirements of Utah Admin. R. 649-1 *et seq.*, the Oil and Gas Conservation General Rules, and the applicable terms and provisions of the approved Application for permit to drill.

**2. Notification Requirements**

Notify the Division within 24 hours of spudding the well.

- Contact Carol Daniels at (801) 538-5284.

Notify the Division prior to commencing operations to plug and abandon the well.

- Contact Dan Jarvis at (801) 538-5338

**3. Reporting Requirements**

All required reports, forms and submittals will be promptly filed with the Division, including but not limited to the Entity Action Form (Form 6), Report of Water Encountered During Drilling (Form 7), Weekly Progress Reports for drilling and completion operations, and Sundry Notices and Reports on Wells requesting approval of change of plans or other operational actions.

- 4.** In accordance with Order in Cause No. 190-5(b) dated October 28, 1982, the Operator shall comply with requirements of Rules R649-3-31 and R649-3-27 pertaining to Designated Oil Shale Areas. Additionally, the operator shall ensure that the surface and/or production casing is properly cemented over the entire oil shale interval as defined by Rule R649-3-31. The Operator shall report the actual depth the oil shale is encountered to the Division.

- 5.** State approval of this well does not supersede the required federal approval, which must be obtained prior to drilling.

6. This proposed well is located in an area for which drilling units (well spacing patterns) have not been established through an order of the Board of Oil, Gas and Mining (the "Board"). In order to avoid the possibility of waste or injury to correlative rights, the operator is requested, once the well has been drilled, completed, and has produced, to analyze geological and engineering data generated therefrom, as well as any similar data from surrounding areas if available. As soon as is practicable after completion of its analysis, and if the analysis suggests an area larger than the quarter-quarter section upon which the well is located is being drained, the operator is requested to seek an appropriate order from the Board establishing drilling and spacing units in conformance with such analysis by filing a Request for Agency Action with the Board.

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

FORM APPROVED  
OMB No. 1004-0136  
Expires November 30, 2000

006

APPLICATION FOR PERMIT TO DRILL OR REENTER

1a. Type of Work: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER		5. Lease Serial No. UTU-037167	
1b. Type of Well: <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input checked="" type="checkbox"/> Single Zone <input type="checkbox"/> Multiple Zone		6. If Indian, Allottee or Tribe Name	
2. Name of Operator WESTPORT OIL AND GAS COMPANY		7. If Unit or CA Agreement, Name and No.	
3a. Address 1368 SOUTH 1200 EAST VERNAL, UT 84078		8. Lease Name and Well No. FEDERAL 1022-33M	
3b. Phone No. (include area code) Ph: 435.781.7044 Fx: 435.781.7094		9. API Well No. 43.047.35740	
4. Location of Well (Report location clearly and in accordance with any State requirements. *) At surface SWSW 686FSL 803FWL 39.90008 N Lat, 109.45122 W Lon At proposed prod. zone		10. Field and Pool, or Exploratory NATURAL BUTTES	
14. Distance in miles and direction from nearest town or post office* 54 +/- MILES FROM VERNAL, UT		11. Sec., T., R., M., or Blk. and Survey or Area Sec 33 T10S R22E Mer SLB SME: BLM	
15. Distance from proposed location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) 686' +/-		12. County or Parish UINTAH	
16. No. of Acres in Lease 1320.00		13. State UT	
18. Distance from proposed location to nearest well, drilling, completed, applied for, on this lease, ft. REFER TO TOPO C		17. Spacing Unit dedicated to this well 40.00	
19. Proposed Depth 8500 MD		20. BLM/BIA Bond No. on file CO-1203	
21. Elevations (Show whether DF, KB, RT, GL, etc.) 5573 GL		23. Estimated duration	

24. Attachments

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No. 1, shall be attached to this form:

- Well plat certified by a registered surveyor.
- A Drilling Plan.
- A Surface Use Plan (if the location is on National Forest System Lands, the SUPO shall be filed with the appropriate Forest Service Office).
- Bond to cover the operations unless covered by an existing bond on file (see Item 20 above).
- Operator certification
- Such other site specific information and/or plans as may be required by the authorized officer.

25. Signature (Electronic Submission)	Name (Printed/Typed) RALEEN SEARLE	Date 05/14/2004
Title PREPARER		
Approved by (Signature)	Name (Printed/Typed)	Date
Title Assistant State Mineral Resources		
Office DIV. OF OIL, GAS & MINING		

Application approval does not warrant or certify the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.  
Conditions of approval, if any, are attached.

**CONDITIONS OF APPROVAL ATTACHED**

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

Additional Operator Remarks (see next page)

**NOTICE OF APPROVAL**

Electronic Submission #30725 verified by the BLM Well Information System  
For WESTPORT OIL AND GAS COMPANY, sent to the Vernal  
Committed to AFMSS for processing by LESLIE WALKER on 05/19/2004 ()

\*\* OPERATOR-SUBMITTED \*\* OPERATOR-SUBMITTED \*\* OPERATOR-SUBMITTED \*\*

UDOGM

**CONDITIONS OF APPROVAL**  
**APPLICATION FOR PERMIT TO DRILL**

Company/Operator: Westport Oil & Gas Company, L.P.  
Well Name & Number: FEDERAL 1022-33M  
API Number: 43-047-35740  
Lease Number: UTU - 037167  
Location: SWSW Sec. 33 TWN: 10S RNG: 22E  
Agreement: N/A

**NOTIFICATION REQUIREMENTS**

- |                                 |   |
|---------------------------------|---|
| Location Construction           | - At least forty-eight hours prior to construction of the location or access roads.   |
| Location Completion             | - Prior to moving on the drilling rig.  |
| Spud Notice                     | - At least twenty-four (24) hours prior to spudding the well.   |
| Casing String and Cementing     | - At least twenty-four (24) hours prior to running casing and cementing all casing strings.   |
| BOP and Related Equipment Tests | - At least twenty-four (24) hours prior to initiating pressure tests.   |
| First Production Notice         | - Within five (5) business days after new well begins, or production resumes after well has been off production for more than ninety (90) days. |

For more specific details on notification requirements, please check the Conditions of Approval for Notice to Drill and Surface Use Program.

## **CONDITIONS OF APPROVAL FOR NOTICE TO DRILL**

Approval of this application does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Be aware fire restrictions may be in effect when location is being constructed and/or when well is being drilled. Contact the appropriate Surface Management Agency for information.

**Submit an electronic copy of all logs run on this well in LAS format. This submission will replace the requirement for submittal of paper logs to the BLM.**

### **DRILLING PROGRAM**

1. Estimated Depth at Which Oil, Gas, Water, or Other Mineral Bearing Zones are Expected to be Encountered

Report ALL water shows and water-bearing sands encountered to John Mayers of this office prior to setting the next casing string or requesting plugging orders. Faxed copies of State of Utah form OGC-8-X are acceptable. If noticeable water flows are detected, submit samples to this office along with any water analyses conducted.

All usable water and prospectively valuable minerals (as described by BLM at onsite) encountered during drilling, will be recorded by depth and adequately protected. All oil and gas shows will be tested to determine commercial potential.

2. Pressure Control Equipment

The BOP and related equipment shall meet the minimum requirements of Onshore Oil & Gas Order No. 2 for equipment and testing requirements, procedures, etc., for a 3M system and individual components shall be operable as designed. Chart recorders shall be used for all pressure tests.

Test charts, with individual test results identified, shall be maintained on location while drilling and shall be made available to a BLM representative upon request.

If an air compressor is on location and is being utilized to provide air for the drilling medium while drilling, the special drilling requirements in Onshore Oil & Gas Order No. 2, regarding air or gas drilling shall be adhered to. If a mist system is being utilized then the requirement for a deduster shall be waived.

3. Casing Program and Auxiliary Equipment

Surface casing shall have centralizers on the bottom three joints, with a minimum of one centralizer per joint.

As a minimum, the usable water and oil shale resources shall be isolated and/or protected by having a cement top for the production casing at least 200 ft. above the top of the Mahogany Oil Shale, identified at 1,704 ft. If gilsonite is encountered while drilling, it shall be isolated and/or protected via the cementing program.

4. Mud Program and Circulating Medium

Hazardous substances specifically listed by the EPA as a hazardous waste or demonstrating a characteristic of a hazardous waste will not be used in drilling, testing, or completion operations.

5. Coring, Logging and Testing Program

Daily drilling and completion progress reports shall be submitted to this office on a weekly basis.

A cement bond log (CBL) will be run from the production casing shoe to the top of the cement and shall be utilized to determine the bond quality for the production casing. Submit a field copy of the CBL to this office.

6. Notifications of Operations

Operator shall report production data to MMS pursuant to 30 CFR 216.5 using form MMS/3160.

If a replacement rig is contemplated for completion operations, a "Sundry Notice" (Form 3160-5) to that effect will be filed, for prior approval of the AO, and all conditions of this approved plan are applicable during all operations conducted with the replacement rig.

The date on which production is commenced or resumed will be construed for oil wells as the date on which liquid hydrocarbons are first sold or shipped from a temporary storage facility, such as a test tank, and for which a run ticket is required to be generated or, the date on which liquid hydrocarbons are first produced into a permanent storage facility, whichever first occurs; and, for gas wells as the date on which associated liquid hydrocarbons are first sold or shipped from a temporary storage facility, such as a test tank, and for which a run ticket is required to be generated or, the date on which gas is first measured through permanent metering facilities, whichever first occurs.

Should gas be vented or flared without approval beyond the authorized test period, the operator may be directed to shut-in the well until the gas can be captured or approval to continue venting or flaring as uneconomic is granted and the operator shall be required to compensate the lessor for that portion of the gas vented or flared without approval which is determined to have been avoidably lost.

A schematic facilities diagram as required by 43 CFR 3162.7-5(d) shall be submitted to the appropriate Field Office within 60 days of installation or first production, whichever occurs first. All site security regulations as specified in Onshore Oil & Gas Order No. 3 shall be adhered to. All product lines entering and leaving hydrocarbon storage tanks will be effectively sealed in accordance with 43 CFR 3162.7-5 (1).

7. Other Information

All loading lines will be placed inside the berm surrounding the tank battery.

All off-lease storage, off-lease measurement, or commingling on-lease or off-lease will have prior written approval from the AO.

The oil and gas measurement facilities will be installed on the well location. The oil and gas meters will be calibrated in place prior to any deliveries. Tests for meter accuracy will be conducted on initial meter installations and at least quarterly thereafter. The AO will be provided with a date and time for the initial meter calibration and all future meter proving schedules. A copy of the meter calibration reports will be submitted to the Vernal Field Office. All meter measurement facilities will conform to Onshore Oil & Gas Order No. 4 for liquid hydrocarbons and Onshore Oil & Gas Order No. 5 for natural gas measurement.

The use of materials under BLM jurisdiction will conform to 43 CFR 3610.2-3.

There will be no deviation from the proposed drilling and/or workover program without prior approval from the AO. Safe drilling and operating practices must be observed. All wells, whether drilling, producing, suspended, or abandoned will be identified in accordance with 43 CFR 3162.

"Sundry Notice and Report on Wells" (Form 3160-5) will be filed for approval for all changes of plans and other operations in accordance with 43 CFR 3162.3-2.

Section 102(b)(3) of the Federal Oil and Gas Royalty Management Act of 1982, as implemented by the applicable provisions of the operating regulations at Title 43 CFR 3162.4-1(c), requires that "not later than the 5th business day after any well begins production on which royalty is due anywhere on a lease site or allocated to a lease site, or resumes production in the case of a well which has been off production for more than 90 days, the operator shall notify the authorized officer by letter or sundry notice, Form 3160-5, or orally to be followed by a letter or sundry notice, of the date on which such production has begun or resumed."

If you fail to comply with this requirement in the manner and time allowed, you shall be liable for a civil penalty of up to \$10,000 per violation for each day such violation continues, not to exceed a maximum of 20 days. See Section 109(c)(3) of the Federal Oil and Gas Royalty Management Act of 1982 and the implementing regulations at Title 43 CFR 3162.4-1(b)(5)(ii).

APD approval is valid for a period of one (1) year from the signature date. An extension period may be granted, if requested, prior to the expiration of the original approval period.

In the event after-hours approvals are necessary, please contact one of the following individuals:

Ed Forsman (435) 828-7874  
Petroleum Engineer

Kirk Fleetwood (435) 828-7875  
Petroleum Engineer

BLM FAX Machine (435) 781-4410

## EPA'S LIST OF NONEXEMPT EXPLORATION AND PRODUCTION WASTES

While the following wastes are nonexempt, they are not necessarily hazardous.

Unused fracturing fluids or acids

Gas plant cooling tower cleaning wastes

Painting wastes

Oil and gas service company wastes, such as empty drums, drum rinsate, vacuum truck rinsate, sandblast media, painting wastes, spent solvents, spilled chemicals, and waste acids.

Vacuum truck and drum rinsate from trucks and drums, transporting or containing nonexempt waste

Refinery wastes

Liquid and solid wastes generated by crude oil and tank bottom reclaimers

Used equipment lubrication oils

Waste compressor oil, filters, and blowdown

Used hydraulic fluids

Waste solvents

Waste in transportation pipeline-related pits

Caustic or acid cleaners

Boiler cleaning wastes

Boiler refractory bricks

Incinerator ash

Laboratory wastes

Sanitary wastes

Pesticide wastes

Radioactive tracer wastes

Drums, insulation and miscellaneous solids



**SURFACE USE PROGRAM  
CONDITIONS OF APPROVAL (COAs)**

- If any paleontological or cultural materials are encountered, stop work immediately and report the find to this office.
- No construction or drilling may occur from May 15 through June 20 to protect pronghorn antelope kidding season.
- The seed mix for this location shall be:

Indian Ricegrass	<i>Achnatherum hymenoides</i>	4 lbs./acre
Shadscale	<i>Atriplex confertifolia</i>	3 lbs./acre
Black sage	<i>Artemisia nova</i>	1 lbs./acre
Needle and Threadgrass	<i>Hesperostipa comata ssp. comata</i>	4 lbs./acre

  - All pounds are in pure live seed.
  - Reseeding may be required if first seeding is not successful.
- 4 to 6 inches of topsoil shall be stripped from the location and windrowed as shown on the cut sheet. The topsoil shall then be broadcast seeded with the recommended seed mix immediately after it has been windrowed and the seed walked into the soil with a dozer.
- The topsoil from the reserve pit shall be stripped and piled separately near the reserve pit. When the reserve pit is closed, it shall be recontoured and the topsoil respread, and the area shall be seeded in the same manner as the location topsoil.
- Once the location is plugged and abandoned, it shall be recontoured to natural contours, topsoil respread where appropriate, and the entire location seeded with the recommended seed mix. Seeding shall take place by broadcasting the seed and walking it into the soil with a dozer immediately after the dirt work is completed.

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

FORM APPROVED  
OMB No. 1004-0135  
Expires November 30, 2000

SUNDRY NOTICES AND REPORTS ON WELLS

**Do not use this form for proposals to drill or reenter an abandoned well. Use Form 3160-3 (APD) for such proposals.**

007

**SUBMIT IN TRIPLICATE - Other instructions on reverse side**

1. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other		5. Lease Serial No. <b>UTU-037167</b>
2. Name of Operator <b>WESTPORT OIL &amp; GAS COMPANY, L.C.</b>		6. If Indian, Allottee or Tribe Name
3a. Address <b>1368 SOUTH 1200 EAST, VERNAL, UTAH 84078</b>	3b. Phone No. (include area code) <b>(435)781-7060</b>	7. If Unit or CA/Agreement, Name and/or No.
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) <b>686' FSL 803' FWL SWSW SEC 33-T10S-R22E</b>		8. Well Name and No. <b>FEDERAL 1022-33M</b>
		9. API Well No. <b>43-047-35740</b>
		10. Field and Pool, or Exploratory Area <b>NATURAL BUTTES</b>
		11. County or Parish, State <b>UINTAH, UTAH</b>

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other <b>APD EXTENSION</b>
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	<b>DOGM</b>
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operations (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplate horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.

The operator requests that the APD be extended for an additional year so that drilling operations may be completed.

Approved by the  
Utah Division of  
Oil, Gas and Mining  
Date: **05-02-05**  
By: *[Signature]*

COPY SENT TO OPERATOR  
Date: **5-4-05**  
Initials: **CHD**

14. I hereby certify that the foregoing is true and correct	
Name (Printed/Typed) <b>DEBRA DOMENICI</b>	Title <b>ASSOCIATE ENVIRONMENTAL ANALYST</b>
Signature <i>[Signature]</i>	Date <b>April 20, 2005</b>

THIS SPACE FOR FEDERAL OR STATE USE

Approved by	Title	Date
Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.	Office	

Title 18 U.S.C. Section 1001, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on reverse)

RECEIVED  
APR 26 2005  
DIV. OF OIL, GAS & MINING

**Application for Permit to Drill  
Request for Permit Extension  
Validation**

(this form should accompany the Sundry Notice requesting permit extension)

**API:** 43-047-35740  
**Well Name:** FEDERAL 1022-33M  
**Location:** SWSW SEC 33-T10S-R22E  
**Company Permit Issued to:** WESTPORT OIL & GAS COMPANY, L.P.  
**Date Original Permit Issued:** 5/19/2004

The undersigned as owner with legal rights to drill on the property as permitted above, hereby verifies that the information as submitted in the previously approved application to drill, remains valid and does not require revision.

Following is a checklist of some items related to the application, which should be verified.

If located on private land, has the ownership changed, if so, has the surface agreement been updated? Yes ☐ No ☒

Have any wells been drilled in the vicinity of the proposed well which would affect the spacing or siting requirements for this location? Yes ☐ No ☒

Has there been any unit or other agreements put in place that could affect the permitting or operation of this proposed well? Yes ☐ No ☒

Have there been any changes to the access route including ownership, or right-of-way, which could affect the proposed location? Yes ☐ No ☒

Has the approved source of water for drilling changed? Yes ☐ No ☒

Have there been any physical changes to the surface location or access route which will require a change in plans from what was discussed at the onsite evaluation? Yes ☐ No ☒

Is bonding still in place, which covers this proposed well? Yes ☒ No ☐

  
Signature

4/20/2005

Date

Title: ASSOCIATE ENVIRONMENTAL ANAL

Representing: WESTPORT OIL & GAS COMPANY, L.P.

RECEIVED  
APR 26 2005  
DIV. OF OIL, GAS & MINING

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

FORM APPROVED  
OMB No. 1004-0135  
Expires November 30, 2000

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or reenter an abandoned well. Use Form 3160-3 (APD) for such proposals.

SUBMIT IN TRIPLICATE - Other instructions on reverse side

1. Type of Well

☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator

WESTPORT OIL & GAS COMPANY L.P.

3a. Address

1368 SOUTH 1200 EAST VERNAL, UT 84078

3b. Phone No. (include area code)

(435) 781-7024

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

SWSW SECTION 33-T10S-R22E 686'FSL & 803'FWL

5. Lease Serial No.

UTU-037167

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.

8. Well Name and No.

FEDERAL 1022-33M

9. API Well No.

43-047-35740

10. Field and Pool, or Exploratory Area

NATURAL BUTTES

11. County or Parish, State

UINTAH COUNTY, UTAH

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other BLM APD EXTENSION
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operations (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.

THE OPERATOR REQUESTS AUTHORIZATION FOR AN ONE YEAR EXTENSION FOR THE SUBJECT WELL LOCATION. SO THAT THE DRILLING OPERATIONS MAY BE COMPLETED. THE ORIGINAL APD WAS APPROVED BY THE BUREAU OF LAND MANAGEMENT ON JANUARY 24, 2005.

CONDITIONS OF APPROVAL ATTACHED

14. I hereby certify that the foregoing is true and correct

Name (Printed/Typed)

Sheila Upchego

Signature

Title

Regulatory Analyst

Date

December 15, 2005

THIS SPACE FOR FEDERAL OR STATE USE

Approved by

Mark Baker

Petroleum Engineer

Date

DEC 21 2005

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Office

Title 18 U.S.C. Section 1001, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on reverse)

UDOGM

RECEIVED  
JAN 05 2006

DIV. OF OIL, GAS & MINING

# **CONDITIONS OF APPROVAL**

## **Westport Oil & Gas Co.**

### **Notice of Intent APD Extension**

**Lease:** UTU-037167  
**Well:** NBU 1022-33M  
**Location:** SWSW Sec 33-T10S-R22E

An extension for the referenced APD is granted with the following conditions:

---

1. The extension and APD shall expire on 1/24/07
2. No other extension shall be granted.

If you have any other questions concerning this matter, please contact Matt Baker of this office at (435) 781-4490

Form 3160-3  
(August 1999)UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

## SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or reenter an  
abandoned well. Use Form 3160-3 (APD) for such proposals.

FORM APPROVED  
OMB No. 1004-0133  
Expires November 30, 2000

5. Lease Serial No.

UTU-037167

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.

8. Well Name and No.

FEDERAL 1022-33M

9. API Well No.

4304735740

10. Field and Pool, or Exploratory Area

NATURAL BUTTES

11. County or Parish, State

UINTAH, UTAH

SUBMIT IN TRIPLICATE - Other instructions on reverse side

1. Type of Well

☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator

WESTPORT OIL AND GAS COMPANY LC

3a. Address

1368 SOUTH 1200 EAST, VERNAL, UTAH 84078

3b. Phone No. (include area code)

(435)781-7003

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

686' FSL 803' FWL  
SWSW, SEC 33-T10S-R22E

## 12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

## TYPE OF SUBMISSION

- ☒
- Notice of Intent
- 
- ☐
- Subsequent Report
- 
- ☐
- Final Abandonment Notice

## TYPE OF ACTION

- ☐
- Acidize
- ☐
- Deepen
- ☐
- Production (Start/Resume)
- 
- ☐
- Alter Casing
- ☐
- Fracture Treat
- ☐
- Reclamation
- 
- ☐
- Casing Repair
- ☐
- New Construction
- ☐
- Recomplete
- 
- ☐
- Change Plans
- ☐
- Plug and Abandon
- ☐
- Temporarily Abandon
- 
- ☐
- Convert to Injection
- ☐
- Plug Back
- ☐
- Water Disposal

- ☐
- Water Shut-Off
- 
- ☐
- Well Integrity
- 
- ☒
- Other APD EXTENSION
- 
- DOGM

13. Describe Proposed or Completed Operations (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.

THE OPERATOR REQUESTS AUTHORIZATION FOR AN ONE YEAR EXTENSION FOR THE SUBJECT WELL  
LOCATION. SO THAT THE DRILLING OPERATIONS MAY BE COMPLETED. THE ORIGINAL APD WAS  
APPROVED BY THE DIVISION OF OIL, GAS & MINING ON MAY 19, 2004

Approved by the  
Utah Division of  
Oil, Gas and Mining

Date:

05-09-06  
Ramey Hoopes

By:

05-23-06  
CHD14. I hereby certify that the foregoing is true and correct  
Name (Printed/Typed)

RAMEY HOOPES

Title

REGULATORY CLERK

Date

May 5, 2006

Signature  
Ramey Hoopes

THIS SPACE FOR FEDERAL OR STATE USE

Approved by

Title

Date

Conditions of approval, if any, are attached. Approval of this notice does not warrant or  
certify that the applicant holds legal or equitable title to those rights in the subject lease  
which would entitle the applicant to conduct operations thereon.

Office

Title 18 U.S.C. Section 1001, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any  
false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on reverse)

**Application for Permit to Drill  
Request for Permit Extension  
Validation**

(this form should accompany the Sundry Notice requesting permit extension)

API: 4304735740  
Well Name: FEDERAL 1022-33M  
Location: SWSW SEC 33-T10S-R22E  
Company Permit Issued to: WESTPORT OIL AND GAS COMPANY LC  
Date Original Permit Issued: 5/19/2004

The undersigned as owner with legal rights to drill on the property as permitted above, hereby verifies that the information as submitted in the previously approved application to drill, remains valid and does not require revision.

Following is a checklist of some items related to the application, which should be verified.

If located on private land, has the ownership changed, if so, has the surface agreement been updated? Yes ☐ No ☒

Have any wells been drilled in the vicinity of the proposed well which would affect the spacing or siting requirements for this location? Yes ☐ No ☒

Has there been any unit or other agreements put in place that could affect the permitting or operation of this proposed well? Yes ☐ No ☒

Have there been any changes to the access route including ownership, or right-of-way, which could affect the proposed location? Yes ☐ No ☒

Has the approved source of water for drilling changed? Yes ☐ No ☒

Have there been any physical changes to the surface location or access route which will require a change in plans from what was discussed at the onsite evaluation? Yes ☐ No ☒

Is bonding still in place, which covers this proposed well? Yes ☒ No ☐

Ramey Hoopes  
Signature

5/5/2006  
Date

Title: REGULATORY CLERK

Representing: Westport Oil and Gas Company LP



## DIVISION OF OIL, GAS AND MINING

### **SPUDDING INFORMATION**

Name of Company: KERR-MCGEE OIL & GAS ONSHORE

Well Name: FEDERAL 1022-33M

Api No: 43-047-35740 Lease Type: FEDERAL

Section 33 Township 10S Range 22E County UINTAH

Drilling Contractor PETE MARTIN'S RIG # BUCKET

### **SPUDDED:**

Date 05/11/06

Time 12:30 PM

How DRY

**Drilling will Commence:** \_\_\_\_\_

Reported by LOU WELDON

Telephone # (435) 828-7035

Date 05/15/2006 Signed CHD

Division of Oil, Gas and Mining  
**OPERATOR CHANGE WORKSHEET**

ROUTING	
1. DJJ	
2. CDW	

**X Change of Operator (Well Sold)**

Operator Name Change/Merger

The operator of the well(s) listed below has changed, effective:

**1/6/2006**

**FROM:** (Old Operator):  
 N2115-Westport Oil & Gas Co., LP  
 1368 South 1200 East  
 Vernal, UT 84078  
 Phone: 1-(435) 781-7024

**TO:** ( New Operator):  
 N2995-Kerr-McGee Oil & Gas Onshore, LP  
 1368 South 1200 East  
 Vernal, UT 84078  
 Phone: 1-(435) 781-7024

**CA No.**

**Unit:**

WELL NAME

SEC	TWN	RNG	API NO	ENTITY NO	LEASE TYPE	WELL TYPE	WELL STATUS
-----	-----	-----	--------	-----------	------------	-----------	-------------

**OPERATOR CHANGES DOCUMENTATION**

Enter date after each listed item is completed

- (R649-8-10) Sundry or legal documentation was received from the **FORMER** operator on: 5/10/2006
- (R649-8-10) Sundry or legal documentation was received from the **NEW** operator on: 5/10/2006
- The new company was checked on the **Department of Commerce, Division of Corporations Database** on: 3/7/2006
- 4a. Is the new operator registered in the State of Utah: YES Business Number: 1355743-0181
- 4b. If **NO**, the operator was contacted on: \_\_\_\_\_
- 5a. (R649-9-2)Waste Management Plan has been received on: IN PLACE
- 5b. Inspections of LA PA state/fee well sites complete on: n/a
- 5c. Reports current for Production/Disposition & Sundries on: ok
6. **Federal and Indian Lease Wells:** The BLM and or the BIA has approved the merger, name change, or operator change for all wells listed on Federal or Indian leases on: BLM 3/27/2006 BIA not yet
7. **Federal and Indian Units:**  
 The BLM or BIA has approved the successor of unit operator for wells listed on: 3/27/2006
8. **Federal and Indian Communization Agreements ("CA"):**  
 The BLM or BIA has approved the operator for all wells listed within a CA on: n/a
9. **Underground Injection Control ("UIC")** The Division has approved UIC Form 5, **Transfer of Authority to Inject**, for the enhanced/secondary recovery unit/project for the water disposal well(s) listed on: \_\_\_\_\_

**DATA ENTRY:**

- Changes entered in the **Oil and Gas Database** on: 5/15/2006
- Changes have been entered on the **Monthly Operator Change Spread Sheet** on: 5/15/2006
- Bond information entered in RBDMS on: 5/15/2006
- Fee/State wells attached to bond in RBDMS on: 5/16/2006
- Injection Projects to new operator in RBDMS on: \_\_\_\_\_
- Receipt of Acceptance of Drilling Procedures for APD/New on: n/a Name Change Only

**BOND VERIFICATION:**

- Federal well(s) covered by Bond Number: CO1203
- Indian well(s) covered by Bond Number: RLB0005239
- (R649-3-1) The **NEW** operator of any fee well(s) listed covered by Bond Number RLB0005236
- a. The **FORMER** operator has requested a release of liability from their bond on: n/a rider added KMG  
 The Division sent response by letter on: \_\_\_\_\_

**LEASE INTEREST OWNER NOTIFICATION:**

- (R649-2-10) The **FORMER** operator of the fee wells has been contacted and informed by a letter from the Division of their responsibility to notify all interest owners of this change on: 5/16/2006

**COMMENTS:**

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or reenter an abandoned well. Use Form 3160-3 (APD) for such proposals.

FORM APPROVED  
OMB No. 1004-0135  
Expires November 30, 2000

5. Lease Serial No.

MULTIPLE LEASES

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.

8. Well Name and No.

MUTIPLE WELLS

9. API Well No.

10. Field and Pool, or Exploratory Area

11. County or Parish, State

UINTAH COUNTY, UTAH

SUBMIT IN TRIPLICATE - Other instructions on reverse side

1. Type of Well

☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator

KERR-McGEE OIL & GAS ONSHORE LP

3a. Address

1368 SOUTH 1200 EAST VERNAL, UT 84078

3b. Phone No. (include area code)

(435) 781-7024

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

SEE ATTACHED

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other CHANGE OF OPERATOR
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operations (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.

PLEASE BE ADVISED THAT KERR-McGEE OIL & GAS ONSHORE LP, IS CONSIDERED TO BE THE OPERATOR OF THE ATTACHED WELL LOCATIONS. EFFECTIVE JANUARY 6, 2006.

KERR-McGEE OIL & GAS ONSHORE LP, IS RESPONSIBLE UNDER TERMS AND CONDITIONS OF THE LEASE(S) FOR THE OPERATIONS CONDUCTED UPON LEASE LANDS. BOND COVERAGE IS PROVIDED BY STATE OF UTAH NATIONWIDE BOND NO. RLB0005237.

RECEIVED

MAY 10 2006

DIV. OF OIL, GAS & MINING

BLM BOND = C01203

BIA BOND = RLB0005237

APPROVED 5/16/06

Earlene Russell

Division of Oil, Gas and Mining  
Earlene Russell, Engineering Technician

14. I hereby certify that the foregoing is true and correct

Name (Printed/Typed)

RANDY BAYNE

Signature

Title

DRILLING MANAGER

Date

May 9, 2006

THIS SPACE FOR FEDERAL OR STATE USE

Approved by

Title

Date

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Office

Title 18 U.S.C. Section 1001, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on reverse)

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

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FORM APPROVED  
OMB No. 1004-0135  
Expires November 30, 2000

5. Lease Serial No.

MULTIPLE LEASES

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.

8. Well Name and No.

MUTIPLE WELLS

9. API Well No.

10. Field and Pool, or Exploratory Area

11. County or Parish, State

UINTAH COUNTY, UTAH

SUBMIT IN TRIPLICATE - Other instructions on reverse side

1. Type of Well

☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator

WESTPORT OIL & GAS COMPANY L.P.

3a. Address

1368 SOUTH 1200 EAST VERNAL, UT 84078

3b. Phone No. (include area code)

(435) 781-7024

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

SEE ATTACHED

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION

TYPE OF ACTION

☐ Notice of Intent

☒ Subsequent Report

☐ Final Abandonment Notice

☐ Acidize

☐ Alter Casing

☐ Casing Repair

☐ Change Plans

☐ Convert to Injection

☐ Deepen

☐ Fracture Treat

☐ New Construction

☐ Plug and Abandon

☐ Plug Back

☐ Production (Start/Resume)

☐ Reclamation

☐ Recomplete

☐ Temporarily Abandon

☐ Water Disposal

☐ Water Shut-Off

☐ Well Integrity

☒ Other CHANGE OF  
OPERATOR

13. Describe Proposed or Completed Operations (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.

EFFECTIVE JANUARY 6, 2006, WESTPORT OIL & GAS COMPANY L.P., HAS RELINQUISHED THE OPERATORSHIP OF THE ATTACHED WELL LOCATIONS TO KERR-McGEE OIL & GAS ONSHORE LP.

APPROVED 5/16/06  
Earlene Russell  
Division of Oil, Gas and Mining  
Earlene Russell, Engineering Technician

RECEIVED  
MAY 10 2006

DIV. OF OIL, GAS & MINING

14. I hereby certify that the foregoing is true and correct

Name (Printed/Typed)

BRAD LANEY

Signature

Title

ENGINEERING SPECIALIST

Date

May 9, 2006

THIS SPACE FOR FEDERAL OR STATE USE

Approved by

Brad Laney

Title

Date

5-9-06

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Office

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## United States Department of the Interior

BUREAU OF LAND MANAGEMENT  
Colorado State Office  
2850 Youngfield Street  
Lakewood, Colorado 80215-7076

IN REPLY REFER TO:

CO922 (MM)  
3106  
COC017387 et. al.

March 23, 2006

### NOTICE

Kerr-McGee Oil & Gas Onshore L.P. :  
1999 Broadway, Suite 3700 : Oil & Gas  
Denver, CO 80202 :

#### Merger/Name Change - Recognized

On February 28, 2006 this office received acceptable evidence of the following mergers and name conversion:

Kerr-McGee Oil & Gas Onshore L.P., a Delaware Limited Partnership, and Kerr-McGee Oil & Gas Onshore LLC, a Delaware Limited Partnership merger with and into Westport Oil and Gas Company L.P., a Delaware Limited Partnership, and subsequent Westport Oil & Gas Company L.P. name conversion to Kerr-McGee Oil & Gas Onshore L.P.

For our purposes the merger and name conversion was effective January 4, 2006, the date the Secretary of State of Delaware authenticated the mergers and name conversion.

Kerr-McGee Oil & Gas Onshore L.P. provided a list of oil and gas leases held by the merging parties with the request that the Bureau of Land Management change all their lease records from the named entities to the new entity, Kerr-McGee Oil & Gas Onshore L.P. In response to this request each state is asked to retrieve their own list of leases in the names of these entities from the Bureau of Land Management's (BLM) automated LR2000 data base.

The oil and gas lease files identified on the list provided by Kerr-McGee Oil & Gas Onshore L.P. have been updated as to the merger and name conversion. We have not abstracted the lease files to determine if the entities affected by the acceptance of these documents holds an interest in the lease, nor have we attempt to identify leases where the entity is the operator on the ground that maintains vested record title or operating rights interests. If additional documentation, for change of operator, is required you will be contacted directly by the appropriate Field Office. The Mineral Management Services (MMS) and other applicable BLM offices were notified of the merger with a copy of this notice

Please contact this office if you identify additional leases where the merging party maintains an interest, under our jurisdiction, and we will document the case files with a copy of this notice. If the leases are under the jurisdiction of another State Office that information will be forwarded to them for their action.

Three riders accompanied the merger/name conversion documents which will add Kerr-McGee Oil and Gas Onshore LLC as a principal to the 3 Kerr-McGee bonds maintained by the Wyoming State Office. These riders will be forward to them for their acceptance.

The Nationwide Oil & Gas Continental Casualty Company Bond #158626364 (BLM Bond #CO1203), maintained by the Colorado State Office, will remain in full force and effect until an assumption rider is accepted by the Wyoming State Office that conditions their Nationwide Safeco bond to accept all outstanding liability on the oil and gas leases attached to the Colorado bond.

If you have questions about this action you may call me at 303.239.3768.

/s/Martha L. Maxwell  
Martha L. Maxwell  
Land Law Examiner  
Fluid Minerals Adjudication

Attachment:

List of OG Leases to each of the following offices:

MMS MRM, MS 357B-1

WY, UT, NM/OK/TX, MT/ND, WY State Offices

CO Field Offices

Wyoming State Office

Rider #1 to Bond WY2357

Rider #2 to Bond WY1865

Rider #3 to Bond WY1127



# United States Department of the Interior

BUREAU OF LAND MANAGEMENT  
Utah State Office  
P.O. Box 45155  
Salt Lake City, UT 84145-0155  
<http://www.blm.gov>



IN REPLY REFER TO:  
3106  
(UT-922)

March 27, 2006

## Memorandum

To: Vernal Field Office

From: Chief, Branch of Fluid Minerals

Subject: Merger Approval

Attached is an approved copy of the merger recognized by the Bureau of Land Management, Colorado State Office. We have updated our records to reflect the merger from Westport Oil and Gas Company L.P. into Kerr-McGee Onshore Oil and Gas Company. The merger was approved effective January 4, 2006.

Chief, Branch of  
Fluid Minerals

## Enclosure

Approval letter from BLM COSO (2 pp)

cc: MMS, Reference Data Branch, James Sykes, PO Box 25165, Denver CO 80225  
State of Utah, DOGM, Attn: Earlene Russell, PO Box 145801, SLC UT 84114  
Teresa Thompson  
Joe Incardine  
Connie Seare  
Dave Mascarenas  
Susan Bauman

RECEIVED

MAR 28 2006

ENCL. OF OIL, GAS & MIN. B.



**STATE OF UTAH**  
DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF OIL, GAS AND MINING

FORM 6

**ENTITY ACTION FORM**

Operator: KERR McGEE OIL & GAS ONSHORE LP Operator Account Number: N 2995  
Address: 1368 SOUTH 1200 EAST  
city VERNAL  
state UT zip 84078 Phone Number: (435) 781-7024

**Well 1**

API Number	Well Name		QQ	Sec	Twp	Rng	County
4304735740	FEDERAL 1022-33M		SWSW	33	10S	22E	UINTAH
Action Code	Current Entity Number	New Entity Number	Spud Date			Entity Assignment Effective Date	
A	99999	15373	5/11/2006			5/18/06	
Comments: MIRU PETE MARTIN BUCKET RIG. <i>MVRD</i> SPUD WELL LOCATION ON 05/11/2006 AT 1230 HRS. <i>- K</i>							

**Well 2**

API Number	Well Name		QQ	Sec	Twp	Rng	County
Action Code	Current Entity Number	New Entity Number	Spud Date			Entity Assignment Effective Date	
Comments:							

**Well 3**

API Number	Well Name		QQ	Sec	Twp	Rng	County
Action Code	Current Entity Number	New Entity Number	Spud Date			Entity Assignment Effective Date	
Comments:							

**ACTION CODES:**

- A - Establish new entity for new well (single well only)
- B - Add new well to existing entity (group or unit well)
- C - Re-assign well from one existing entity to another existing entity
- D - Re-assign well from one existing entity to a new entity
- E - Other (Explain in 'comments' section)

(a/2000)

To: <u>EARLENE RUSSELL</u>	From: <u>SHEILA UPCHEGO</u>
Co./Dept.: <u>DOGIM</u>	<u>KERR McGEE OIL &amp; GAS</u>
Phone # <u>(801) 538-5330</u>	Phone # <u>(435) 781-7024</u>
Fax # <u>(801) 359-3440</u>	Fax # <u>(435) 781-7044</u>

SHEILA UPCHEGO

Name (Please Print)

Signature

REGULATORY ANALYST

5/17/2006

Title

Date

RECEIVED

MAY 17 2006

DIV. OF OIL, GAS &amp; MINING

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENTFORM APPROVED  
OMB No. 1004-0135  
Expires November 30, 2000

## SUNDRY NOTICES AND REPORTS ON WELLS

**Do not use this form for proposals to drill or reenter an abandoned well. Use Form 3160-3 (APD) for such proposals.**

**SUBMIT IN TRIPLICATE – Other instructions on reverse side**

1. Type of Well

☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator

KERR-McGEE OIL &amp; GAS ONSHORE LP

3a. Address

1368 SOUTH 1200 EAST VERNAL, UT 84078

3b. Phone No. (include area code)

(435) 781-7024

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

SWSW SECTION 33, T10S, R22E 686'FSL, 803'FWL

5. Lease Serial No.

UTU-037167

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.

8. Well Name and No.

FEDERAL 1022-33M

9. API Well No.

4304735740

10. Field and Pool, or Exploratory Area

NATURAL BUTTES

11. County or Parish, State

UINTAH COUNTY, UTAH

## 12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other <u>WELL SPUD</u>
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operations (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.

MIRU PETE MARTIN BUCKET. DRILLED 20" CONDUCTOR HOLE TO 40'. RAN 14" 36.7# SCHEDULE 10 PIPE  
CMT W/28 SX READY MIX.

**SPUD WELL LOCATION ON 05/11/2006 AT 1230 HRS.**

MIRU BILL MARTIN AIR RIG ON 5/14/2006 AT 0600 HRS. DRILLED 12 1/4" SURFACE HOLE TO 1750'.  
RAN 9 5/8" 32.3# H-40 SURFACE CSG. LEAD CMT W/140 SX HIFILL CLASS G @11.0 PPG 3.82 YIELD.  
TAILED CMT W/200 SX PREM CLASS G @15.8 PPG 1.15 YIELD. RAN 200' OF 1" PIPE,  
TOP OUT W/120 SX CLASS G @15.8 PPG 1.15 YIELD DOWN 1" PIPE GOOD CMT TO PIT AND FELL BACK.  
2ND TOP OUT W/70 SX CLASS G @15.8 PPG 1.15 YIELD DOWN BACKSIDE GOOD CMT TO SURFACE  
HOLE STAYED FULL. WORT.

14. I hereby certify that the foregoing is true and correct

Name (Printed/Typed)

Sheila Upchego

Signature

Title

Regulatory Analyst

Date

May 17, 2006

## THIS SPACE FOR FEDERAL OR STATE USE

Approved by

Title

Date

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Office

Title 18 U.S.C. Section 1001, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on reverse)

MAY 26 2006

DIV. OF OIL, GAS &amp; MINING

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

FORM APPROVED  
OMB No. 1004-0135  
Expires November 30, 2000

**SUNDRY NOTICES AND REPORTS ON WELLS**  
**Do not use this form for proposals to drill or reenter an  
abandoned well. Use Form 3160-3 (APD) for such proposals.**

5. Lease Serial No.

UTU-037167

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.

8. Well Name and No.

**FEDERAL 1022-33M**

9. API Well No.

4304735740

10. Field and Pool, or Exploratory Area

NATURAL BUTTES

11. County or Parish, State

UINTAH COUNTY, UTAH

**SUBMIT IN TRIPLICATE – Other instructions on reverse side**

1. Type of Well

☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator

KERR-McGEE OIL & GAS ONSHORE LP

3a. Address

1368 SOUTH 1200 EAST VERNAL, UT 84078

3b. Phone No. (include area code)

(435) 781-7024

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

SWSW SECTION 33, T10S, R22E 686'FSL, 803'FWL

**12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA**

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<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other <b>FINAL DRILLING OPERATIONS</b>
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

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FINISHED DRILLING FROM 1750' TO 8432' ON 07/25/2006. RAN 4 1/2" 11.6# I-80 PRODUCTION CSG.  
LEAD CMT W/355 SX PREM LITE II @11.4 PPG 2.91 YIELD. TAILED CMT W/1200 SX 50/50 POZ  
@14.3 PPG 1.31 YIELD. DISPLACE W/130 BBLS H2O + ADDITIVES FLOATS HELD W/1.5 BBLS  
RETURNED TO INVENTORY PLUG DOWN W/2450 PSI DIFF 50 BBLS CMT TO RESERVE PIT  
GOOD RETURNS DURING JOB CSG BECAME STUCK DURING CMT JOB NOT ABLE TO RECIPROCATATE  
WASH AND CLEAN BOP + RELATED EQUIP.

RELEASED ENSIGN RIG 81 ON 07/27/2006 AT 1530 HRS.

**RECEIVED**

**AUG 01 2006**

14. I hereby certify that the foregoing is true and correct

Name (Printed/Typed)

Sheila Upchego

Title

Regulatory Analyst

Date

July 28, 2006

DIV. OF OIL, GAS & MINING

THIS SPACE FOR FEDERAL OR STATE USE

Approved by

Title

Date

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

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(Instructions on reverse)

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

SUNDRY NOTICES AND REPORTS ON WELLS

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OMB No. 1004-0135  
Expires November 30, 2000

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UTU-037167

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8. Well Name and No.

FEDERAL 1022-33M

9. API Well No.

4304735740

10. Field and Pool, or Exploratory Area

NATURAL BUTTES

11. County or Parish, State

UINTAH COUNTY, UTAH

**SUBMIT IN TRIPLICATE – Other instructions on reverse side**

1. Type of Well

☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator

KERR-McGEE OIL & GAS ONSHORE LP

3a. Address

1368 SOUTH 1200 EAST VERNAL, UT 84078

3b. Phone No. (include area code)

(435) 781-7024

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

SWSW SECTION 33, T10S, R22E 686'FSL, 803'FWL

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other PRODUCTION
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	START-UP
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operations (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 shall be filed when testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator determined that the site is ready for final inspection.

THE SUBJECT WELL LOCATION WAS PLACED ON PRODUCTION ON 08/12/2006 AT 2:00 PM.

PLEASE REFER TO THE ATTACHED CHRONOLOGICAL WELL HISTORY.

14. I hereby certify that the foregoing is true and correct

Name (Printed/Typed)

Sheila Upchego

Signature

Title

Regulatory Analyst

Date

August 15, 2006

THIS SPACE FOR FEDERAL OR STATE USE

Approved by

Title

Date

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Office

Title 18 U.S.C. Section 1001, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on reverse)

AUG 21 2006

DEPT OF CHICAGO & MINN

# KERR MCGEE OIL & GAS ONSHORE, LP

## CHRONOLOGICAL HISTORY

### FEDERAL 1022-33M

UINTAH COUNTY, UT

	SPUD	Surface Casing	Activity	Status
04/24/06			Build Location, 25% complete	Caza 81
04/25/06			Build Location, 40% complete	Caza 81
04/26/06			Build Location, 50% complete	Caza 81
04/27/06			Build Location, 50% complete, Drl	Caza 81
04/28/06			Build Location, 50% complete, Drl	Caza 81
05/01/06			Build Location, 50% complete, Drl	Caza 81
05/02/06			Build Location, 50% complete, Drl	Caza 81
05/03/06			Build Location, 50% complete, Drl	Caza 81
05/04/06			Build Location, 50% complete, Drl	Caza 81
05/05/06			Build Location, 85% complete	Caza 81
05/08/06			Build Location, 95% complete	Caza 81
05/09/06			Build Location, 95% complete	Caza 81
05/10/06			Build Location, 95% complete	Caza 81
05/11/06			Build Location, 95% complete	Caza 81
05/12/06			Location Complete, WOB	Caza 81
05/22/06	5/11/06 5/14/06	9 5/8" @ 1703'	Set conductor, Ring, WORT	Caza 81
05/23/06	5/14/06	9 5/8" @ 1703'	Ring, WORT	Caza 81
06/19/06	5/14/06	9 5/8" @ 1703'	Ring In, WORT	Caza 81
07/13/06	TD: 1750' Move to Federal 1022-33M. Spot rig and RURT.	Csg. 9 5/8" @ 1738'	MW: 8.3	SD: 7/XX/06 DSS: 0
07/14/06	TD: 1750'	Csg. 9 5/8" @ 1738'	MW: 8.3	SD: 7/XX/06 DSS: 0

RURT. Work on rig.

07/17/06	TD: 3285'	Csg. 9 5/8" @ 1738'	MW: 8.3	SD: 7/15/06	DSS: 2	Finish RURT. NU and test BOPE. PU BHA and DP. Drill cement and FE. Drill from 1750'-2457'. Trip for dropping bit. Drill to 3285'. DA @ report time.
07/18/06	TD: 4230'	Csg. 9 5/8" @ 1738'	MW: 8.9	SD: 7/15/06	DSS: 3	Drill from 3285'-4230'. TFNB @ report time.
07/19/06	TD: 5310'	Csg. 9 5/8" @ 1738'	MW: 9.4	SD: 7/15/06	DSS: 4	TIH. Drill from 4230'-5310'. DA @ report time.
07/20/06	TD: 5860'	Csg. 9 5/8" @ 1738'	MW: 9.6	SD: 7/15/06	DSS: 5	Drill and survey from 5310'-5860'. DA @ report time.
07/21/06	TD: 6532'	Csg. 9 5/8" @ 1738'	MW: 9.6	SD: 7/15/06	DSS: 6	Drill and survey from 5860'-6532'. DA @ report time.
07/24/06	TD: 8416'	Csg. 9 5/8" @ 1738'	MW: 11.2	SD: 7/15/06	DSS: 9	Drill and survey from 6532'-7829'. TFNB. Drill to 8416'. DA @ report time.
07/25/06	TD: 8432'	Csg. 9 5/8" @ 1738'	MW: 11.8	SD: 7/15/06	DSS: 10	Drill from 8416'-8432' TD. CBU and short trip 25 stds. CBU. Had 5300 units BBG. Raise mud weight to 11.6 ppg and short trip 20 stds. CBU. Trip gas 5200 units. Increase mud weight to 11.8 ppg. CCH and POOH laying down drill string. Pipe stick with bit @ 2925'. PU Kelly and circulate and work pipe. Mix and pump 12 bbls Diesel and Pipe Lax around collars. Work pipe @ report time.
07/26/06	TD: 8432'	Csg. 9 5/8" @ 1738'	MW: 11.8	SD: 7/15/06	DSS: 11	Worked pipe while waiting on surface jars. RU jars and work pipe. Run freepoint and backoff collars at 2625' leaving 4 DC, MM, and bit. POOH. TIH and screw in to fish. Pull to 100K to cock jars, slack off and fish fell free w/o tripping jars. TIH to 3017' and CCH. POOH w/ fish @ report time.
07/27/06	TD: 8432'	Csg. 9 5/8" @ 1738'	MW: 11.8	SD: 7/15/06	DSS: 12	POOH w/ fish and LD fishing equip. Run logs to 8385'. TIH to shoe and finish LDDS. Run casing to 8400' and attempted to wash to bottom but not successful. CCH and prep to cmt @ report time.
07/28/06	TD: 8432'	Csg. 9 5/8" @ 1738'	MW: 11.8	SD: 7/15/06	DSS: 13	Cemented 4.5" prod csg. Set slips, NDBOP, cut csg, and cleaned pits. Released rig @ 1530 hrs on 7/27/06. RDRT. Move rig to Love Unit 1122-18G @ report time.
08/07/06	PROG: MIRU NIPPLE UP BOP TALLY & PICK UP 2,3/8 TBG CIRC CLEAN POOH NIPPLE DOWN BOP NIPPLE UP FRAC VALVE SDFN					
08/08/06	PROG: MIRU CUTTERS & LOG CBL-CCL TAG PB @ 8302' TEST CSG FRAC VALVES TO 7500# GOOD TEST PICK UP 3,3/8 GUNS 23GM .35 HOLES PERF @ 8112'-19' 8248'-55' 4 SPF NO BLOW					
08/09/06	PROG: MIRU SCHLUMBERGER & CUTTERS STAGE BRK PERF @ 8112'-8255' @ 3884# INJ RT 51.3 BPM INJ PSI 4800# ISIP 2200# FG .70 FRAC W/ 204900# 20/40 SAND + 1689 BBL OF YF122ST+ FLUID MP 6459# MR 51.3 BPM AP 4873# AR 47.9 BPM ISIP 2650# FG .76 NPI 450#					

STAGE #2 RIH SET 8K CBP @ 7968' PERF @ 7784'-88' 4 SPF 7929'-38' 4 SPF BRK PERF @ 3282# IJN RT 51.3 BPM INJ PSI 5400# ISIP 2500# FG .75 FRAC W/ 204750# 20/40 SAND + 1564 BBL OF YF122ST+ FLUID MP 6409# MR 53.5 BPM AP 6167# AR 49.4 BPM ISIP 3700# FG .90 NPI 1200#

STAGE #3 RIH SET 8K CBP @ 7718' PERF @ 7648'-54' 4 SPF 7684'-88' 4SPF BRK PERF @ 3696# INJ RT 30 BPM INJ PSI 3800# ISIP 2300# FG .73 FRAC W/ 82400# 20/40 SAND + 719 BBL OF YF118ST+ MP 4248# MR 30 BPM AP 3406# AR 28.3 BPM ISIP 2850# FG .80 NPI 550#

STAGE @4 RIH SET 8K CBP @ 7338' PERF @ 7300'-08' 4 SPF BRK PERF @ 3717# INJ RT 51.3 BPM INJ PSI 4000# ISIP 1700# FG .66 FRAC W/ 138800# 20/40 SAND + 1104 BBL OF YF118ST+ MP 6040# MR 51.3 BPM AP 4089# AR 47.9 BPM ISIP 2150# FG .72 NPI 450#

STAGE # 5 RIH SET 8K CBP @7022' PERF @ 6792'-96' 4 SPF 6867'-72' 4 SPF 6987'-92' 4 SPF BRK PERF @ 2815# INJ RT 51.3 BPM INJ PSI 4100# ISIP 1750# FG .68 FRAC W/ 256900# 20/40 SAND + 1917 BBL OF YF118ST+ FLUID MP 5142# MR 52.1 BPM AP 3926# AR 49 BPM ISIP 2350# FG .77 NPI 600#

STAGE #6 RIH SET 8K CBP @ 6692' PERF @ 6590'-92' 4 SPF 6658'-62' 4 SPF BRK @ 3002# INJ RT 22.2 BPM INJ PSI 3400# ISIP 1700# FG .69 FRAC W/ 50400# 20/40 SAND + 488 BBL YF118ST+ FLUIF MP 3515# MR 22.2 BPM AP 2932# AR 21.3 BPM ISIP 2500# FG .81 NPI 800#

08/10/06

PROG: STAGE #7 BRK PERF @ 2878# INJ RT 35 BPM INJ PSI 4000# ISIP 2200# FG .78 FRAC W/ 136850# 20/40 SAND + 1103 BBL OF YF118ST+ FLUID MP 4441# MR 34.8 BPM AP 3846# AR 33.5 BPM ISIP 2800# FG .89 NPI 600#

STAGE #8 RIH SET 8K CBP 5940' PERF @ 5902'-10' 4 SPF BRK PERF @ 2865# INJ RT 25 BPM INJ PSI 3300# ISIP 1650# FG .71 FRAC W/ 84000# 20/40 SAND + 706 OF YF118ST+ FLUID MP 3372# MR 25.7 BPM AP 2767# AR 23.7 BPM ISIP 2300# FG .82 NPI 650# RIH SET 8K CBP @ 5500' RIG DOWN CUTTERS & SCHLUMBERGER RIH W/BIT TAG @ 5500' RIG UP DRILG EQUIP DRILL OUT CBP @ 5500' 700# KICK RIH TAG @ 5910' 30' SAND ON CBP DRILL OUT SAND & CBP @ 5940' 500# KICK RIH TAG @ 6347' 30' SAND ON PLUG DRILL OUT SAND & CBP @ 6376' 100# KICK RIH TAG @ 6662' 30' SAND ON PLUG DRILL OUT SAND & CBP @ 6692' 300# KICK RIH TAG @ 6862' 160' SAND ON CBP DRILL OUT SAND & CBP @ 7022' 300# KICK RIH TAG @ 7308' 30' SAND ON PLUG DRILL OUT SAND & CBP @ 7338' 300# KICK RIH TAG @ 7688' 30' SAND ON CBP DRILL OUT SAND & CBP @ 7718' 500# KICK RIH TAG @ 7938' 30' SAND ON CBP DRILL OUT SAND & CBP @ 7968' 400\$ KICK SDFN

08/11/06

PROG: LAND TBG ON WELL HEADW/243 JTS 2,3/8 J-55 TBG NIPPLE DOWN WELL HEAD NIPPLE UP TREE PUMP OFF BIT RIG DOWN TRUN WELL TO FLOW BACK CREW MOVE TO LOVE 1121-16B RIG UP SDFWE.

TBG DETAIL

KB	14.00
HANGER	1.00
243 JTS 2,3/8 J-55 TBG	7392.51
F-NIPPLE F-EDDIE	2.13
EOT	7409.64

TBG RETURNED 30 JTS  
TBG IN WELL 243 JTS



08/12/2006 PROG: WELL ON FLOWBACK, FLOWBACK REPORT: CP: 1650 #, TP: 1700 #, 20/64 CHK, 26 BWPH, 24 HRS, SD: TRACE, TTL BBLs FLWD: RNI BBLs, TODAYs LTR: 7058 BBLs, LOAD REC TODAY: 752 BBLs, REMAINING LTR: 6306 BBLs, TOTAL LOAD REC TO DATE: 3194 BBLs.

08/13/2006 PROG: WELL ON FLOWBACK, FLOWBACK REPORT: CP: 2150 #, TP: 1700 #, 20/64 CHK, 26 BWPH, 24 HRS, SD: TRACE, TTL BBLs FLWD: 688 BBLs, TODAYs LTR: 6306 BBLs, LOAD REC TODAY: 688 BBLs, REMAINING LTR: 5618 BBLs, TOTAL LOAD REC TO DATE: 3882 BBLs.

**08/14/06** PROG: WELL ON FLOWBACK, FLOWBACK REPORT: CP: 2400 #, TP: 1700 #, 20/64 CHK, 20 BWPH, 24 HRS, SD: TRACE, TTL BBLs FLWD: 493 BBLs, TODAYs LTR: 5618 BBLs, LOAD REC TODAY: 493 BBLs, REMAINING LTR: 5125 BBLs, TOTAL LOAD REC TO DATE: 4375 BBLs.

WELL WENT ON SALES: 08/12/2006, 2:00 P.M. 1.2 MCF, 20/64 CHK, SICP: 1500 #. FTP: 1700 #. 30 BWPH.

**ON SALES**

08/12/06: 545 MCF, 0 BC, 780 BW, TP: 1450#, CP: 1500#, 20/64 CHK, 24 HRS, LP: 136#.

**08/15/06**

**ON SALES**

08/13/06: 1472 MCF, 0 BC, 720 BW, TP: 1700#, CP: 2200#, 20/64 CHK, 24 HRS, LP: 138#.

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

FORM APPROVED  
OMB NO. 1004-0137  
Expires: November 30, 2000

5. Lease Serial No.

UTU-037167

1a. Type of Well ☐ Oil Well ☒ Gas ☐ Dry Other  
b. Type of Completion: ☒ New ☐ Work Over ☐ Deepen ☐ Plug Back ☐ Diff. Resvr.  
Other \_\_\_\_\_

2. Name of Operator

KERR MCGEE OIL & GAS ONSHORE LP

3. Address

1368 SOUTH 1200 EAST VERNAL, UTAH 84078

3a. Phone No. (include area code)

(435)-781-7024

4. Location of Well (Report locations clearly and in accordance with Federal requirements)\*

At surface

SWSW 686'FSL, 803'FWL

At top prod. interval reported below

At total depth

14. Date Spudded

05/11/06

15. Date T.D. Reached

07/25/06

16. Date Completed

☐ D & A ☒ Ready to Prod.

08/12/06

6. If Indian, Allottee or Tribe Name

7. Unit or CA Agreement Name and No.

8. Lease Name and Well No.

FEDERAL 1022-33M

9. API Well No.

4304735740

10. Field and Pool, or Exploratory  
NATURAL BUTTES

11. Sec., T., R., M., or Block and  
Survey or Area SEC 33, T10S, R22E

12. County or Parish

UINTAH

13. State

UTAH

17. Elevations (DF, RKB, RT, GL)\*

5573'GL

18. Total Depth: MD 8432'  
TVD

19. Plug Back T.D.: MD 8347'  
TVD

20. Depth Bridge Plug Set: MD  
TVD

21. Type Electric & Other Mechanical Logs Run (Submit copy of each)

22. Was well cored? ☒ No ☐ Yes (Submit copy)  
Was DST run? ☒ No ☐ Yes (Submit copy)  
Directional Survey? ☒ No ☐ Yes (Submit copy)

CBL-CCL-GR

23. Casing and Liner Record (Report all strings set in well)

Hole Size	Size/Grade	Wt. (#/ft.)	Top (MD)	Bottom (MD)	Stage Cementer Depth	No. of Sk. & Type of Cement	Slurry Vol. (BBL)	Cement Top*	Amount Pulled
20"	14"	36.7#		40'		28 SX			
12 1/4"	9 5/8"	32.3#		1750'		530 SX			
7 7/8"	4 1/2"	11.6#		8432'		1555 SX			

24. Tubing Record

Size	Depth Set (MD)	Packer Depth (MD)	Size	Depth Set (MD)	Packer Depth (MD)	Size	Depth Set (MD)	Packer Set (MD)
2 3/8"	7410'							

25. Producing Intervals

Formation	Top	Bottom	Perforated Interval	Size	No. Holes	Perf. Status
A) WASATCH	5902'	6346'	5902'-6346'	0.35	60	OPEN
B) MESAVERDE	6590'	8255'	6590'-8255'	0.35	246	OPEN
C)						
D)						

26. Perforation Record

27. Acid, Fracture, Treatment, Cement Squeeze, Etc.

Depth Interval	Amount and type of Material
5902'-6346'	PMP 1809 BBLs YF118ST & 220,850# 20/40 SD
6590'-8255'	PMP 7481 BBLs YF118ST, 122ST & 938,150# 20/40 SD

28. Production - Interval A

Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
08/12/06	08/20/06	24	→	0	2,179	528			FLows FROM WELL
Choke Size	Tbg. Press. Flwg. 1178#	Csg. Press.	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Well Status	
19/64	SI	1894#	→	0	2179	528			PRODUCING GAS WELL

28a. Production - Interval B

Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
08/12/06	08/20/06	24	→	0	2179	528			FLows FROM WELL
Choke Size	Tbg. Press. Flwg. 1178#	Csg. Press.	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Well Status	
19/64	SI	1894#	→	0	2179	528			PRODUCING GAS WELL

(See instructions and spaces for additional data on reverse side)

RECEIVED

SEP 15 2006

DIV. OF OIL, GAS & MINING

## 28b. Production - Interval C

Date First Produced	Test Date	Hours Tested	Test Production →	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. Rate →	Oil BBL	Gas MCF	Water BBL	Gas : Oil Ratio	Well Status	

## 28c. Production - Interval D

Date First Produced	Test Date	Hours Tested	Test Production →	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. Rate →	Oil BBL	Gas MCF	Water BBL	Gas : Oil Ratio	Well Status	

## 29. Disposition of Gas (Sold, used for fuel, vented, etc.)

SOLD

## 30. Summary of Porous Zones (Include Aquifers):

Show all important zones of porosity and contents thereof: Cored intervals and all drill-stem tests, including depth interval tested, cushion used, time tool open, flowing and shut-in pressures and recoveries.

## 31. Formation (Log) Markers

Formation	Top	Bottom	Descriptions, Contents, etc.	Name	Top
					Meas. Depth
WASATCH MESAVERDE	3976' 6462'	6462'			

## 32. Additional remarks (include plugging procedure):

## 33. Circle enclosed attachments:

1. Electrical/Mechanical Logs (1 full set req'd.)      2. Geologic Report      3. DST Report      4. Directional Survey  
5. Sundry Notice for plugging and cement verification      6. Core Analysis      7. Other:

36. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records (see attached instructions)\*

Name (please print) SHEILA UPCHEGO

Title REGULATORY ANALYST

Signature

Date

9/6/2006

RECEIVED

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

SEP 15 2006

U.S. GPO: 1999-573-624

DIV. OF OIL, GAS &amp; MINING

**STATE OF UTAH**  
DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF OIL, GAS AND MINING

FORM 6

**ENTITY ACTION FORM**

Operator: KERR MCGEE OIL & GAS ONSHORE LP Operator Account Number: N 2995  
Address: 1368 SOUTH 1200 EAST  
city VERNAL  
state UT zip 84078 Phone Number: (435) 781-7024

Well 1

API Number	Well Name		QQ	Sec	Twp	Rng	County
Various	NBU REVISION						UINTAH
Action Code	Current Entity Number	New Entity Number	Spud Date			Entity Assignment Effective Date	
<i>E</i>	<i>Various</i>	<i>2900</i>	<i>3/13/2012</i>			<i>2/1/2012</i>	
Comments: MOVE THE ATTACHED WELLS INTO THE NATURAL BUTTES UNIT REVISION EFFECTIVE 02/01/2012. <i>72 wells</i> <i>5/31/2012</i>							

Well 2

API Number	Well Name		QQ	Sec	Twp	Rng	County
Action Code	Current Entity Number	New Entity Number	Spud Date			Entity Assignment Effective Date	
Comments:							

Well 3

API Number	Well Name		QQ	Sec	Twp	Rng	County
Action Code	Current Entity Number	New Entity Number	Spud Date			Entity Assignment Effective Date	
Comments:							

**ACTION CODES:**

- A - Establish new entity for new well (single well only)
- B - Add new well to existing entity (group or unit well)
- C - Re-assign well from one existing entity to another existing entity
- D - Re-assign well from one existing entity to a new entity
- E - Other (Explain in 'comments' section)

SHEILA WOPSOCK

Name (Please Print)

Signature

REGULATORY ANALYST

Title

5/30/2012

Date

**RECEIVED**

**MAY 31 2012**

Div. of Oil, Gas & Mining

## Entity Action Form Attachment for wells moved into the Natural Buttes Unit Effective 02/01/2012.

API	Well Name	QTR/QTR	Section	TWNSHP	RANGE	Producing Intervals
4304737079	FEDERAL 920-25I	NESE	<u>15431</u>	25 9S	20E	WASATCH/MESAVERDE
4304737080	FEDERAL 920-25H	SENE	<u>15761</u>	25 9S	20E	WASATCH/MESAVERDE
4304737081	FEDERAL 920-25A	NENE	<u>15553</u>	25 9S	20E	WASATCH/MESAVERDE from MVRD
4304739098	STATE 1021-28M	SWSW	<u>16499</u>	28 10S	21E	WASATCH To WSMVD
4304737918	FEDERAL 1021-26L	NWSW	<u>16390</u>	26 10S	21E	MESAVERDE To WSMVD
4304737919	FEDERAL 1021-26N	SESW	<u>16391</u>	26 10S	21E	WASATCH/MESAVERDE
4304737916	FEDERAL 1021-25O	SWSE	<u>16277</u>	25 10S	21E	WASATCH/MESAVERDE
4304739112	STATE 1021-31M	SWSW	<u>16454</u>	31 10S	21E	WASATCH To WSMVD
4304739127	STATE 1021-32P	SESE	<u>16471</u>	32 10S	21E	WASATCH/MESAVERDE
4304739128	STATE 1021-32O	SWSE	<u>17513</u>	32 10S	21E	WASATCH/MESAVERDE
4304739131	STATE 1021-32L	NWSW	<u>16902</u>	32 10S	21E	WASATCH/MESAVERDE
4304739133	STATE 1021-32J	NWSE	<u>17539</u>	32 10S	21E	WASATCH/MESAVERDE
4304739134	STATE 1021-32I	NESE	<u>16905</u>	32 10S	21E	WSMVD
4304739135	STATE 1021-32H	SENE	<u>17528</u>	32 10S	21E	WASATCH/MESAVERDE
4304735714	FEDERAL 1022-29H	SENE	<u>15147</u>	29 10S	22E	WASATCH/MESAVERDE
4304735715	FEDERAL 1022-29F	SENW	<u>15162</u>	29 10S	22E	WASATCH/MESAVERDE
4304735716	FEDERAL 1022-29B	NWNE	<u>14982</u>	29 10S	22E	WASATCH/MESAVERDE
4304735737	FEDERAL 1022-29I	NESE	<u>15001</u>	29 10S	22E	WASATCH/MESAVERDE
4304735738	FEDERAL 1022-29D	NWNW	<u>15016</u>	29 10S	22E	MESAVERDE To WSMVD
4304734862	FEDERAL 31-10-22	SESE	<u>13879</u>	31 10S	22E	MESAVERDE To WSMVD
4304735173	FEDERAL 1022-31D	NWNW	<u>14132</u>	31 10S	22E	WASATCH/MESAVERDE
4304736492	FEDERAL 1022-31N	SESW	<u>16255</u>	31 10S	22E	WASATCH/MESAVERDE
4304736493	FEDERAL 1022-31I	NESE	<u>15089</u>	31 10S	22E	WASATCH/MESAVERDE
4304736494	FEDERAL 1022-31G	SWNE	<u>15075</u>	31 10S	22E	WASATCH/MESAVERDE
4304736495	FEDERAL 1022-31F	SENE	<u>15230</u>	31 10S	22E	WASATCH/MESAVERDE
4304736574	FEDERAL 1022-31C	NENW	<u>15090</u>	31 10S	22E	WASATCH/MESAVERDE
4304736575	FEDERAL 1022-31J	NWSE	<u>15214</u>	31 10S	22E	WASATCH/MESAVERDE
4304736576	FEDERAL 1022-31L	NWSW	<u>16376</u>	31 10S	22E	WASATCH/MESAVERDE
4304734317	STATE 1-32	NESW	<u>13419</u>	32 10S	22E	WASATCH/MESAVERDE
4304734831	STATE 2-32	SESW	<u>13842</u>	32 10S	22E	MESAVERDE To WSMVD
4304734832	STATE 3-32	NWSW	<u>13844</u>	32 10S	22E	WASATCH/MESAVERDE
4304735095	STATE 1022-32J	NWSE	<u>14097</u>	32 10S	22E	WSMVD
4304735096	STATE 1022-32A	NENE	<u>13914</u>	32 10S	22E	WASATCH/MESAVERDE
4304735186	STATE 1022-32P	SESE	<u>14131</u>	32 10S	22E	MESAVERDE To WSMVD
4304735315	STATE 1022-32O	SWSE	<u>14114</u>	32 10S	22E	WASATCH/MESAVERDE
4304735647	STATE 1022-32H	SENE	<u>14348</u>	32 10S	22E	MESAVERDE To WSMVD
4304736413	STATE 1021-36O	SWSE	<u>15619</u>	36 10S	21E	WASATCH/MESAVERDE
*4304738157 WELL BELONGS TO QEP ENERGY CORP "GH 8-20-8-21" PERMIT NOT APPROVED						
4304734839	FEDERAL 1022-15F	SENW	<u>14618</u>	15 10S	22E	WASATCH/MESAVERDE
4304736414	STATE 1021-36J	NWSE	<u>15651</u>	36 10S	21E	WASATCH/MESAVERDE
4304738152	STATE 1021-36L	NWSW	<u>16012</u>	36 10S	21E	WASATCH/MESAVERDE
4304735440	FEDERAL 1022-15J	NWSE	<u>14617</u>	15 10S	22E	WASATCH/MESAVERDE
4304736415	STATE 1021-36I	NESE	<u>15684</u>	36 10S	21E	WASATCH/MESAVERDE
4304738845	STATE 1021-36D	NWNW	<u>16455</u>	36 10S	21E	WASATCH/MESAVERDE

4304750096	FEDERAL 1022-27H	SENE	17626	27 10S	22E	WASATCH/MESAVERDE
4304736416	STATE 1021-36H	SENE	15335	36 10S	21E	WASATCH/MESAVERDE
4304738846	STATE 1021-36E	SWNW	16523	36 10S	21E	WASATCH/MESAVERDE
4304735676	FEDERAL 1022-28L	NWSW	15110	28 10S	22E	WASATCH/MESAVERDE
4304736417	STATE 1021-36G	SWNE	15297	36 10S	21E	WASATCH/MESAVERDE
4304738847	STATE 1021-36F	SENW	16394	36 10S	21E	WASATCH/MESAVERDE
4304735713	FEDERAL 1022-28N	SESW	15145	28 10S	22E	WASATCH/MESAVERDE
4304736418	STATE 1021-36B	NWNE	14953	36 10S	21E	WASATCH/MESAVERDE
4304738848	STATE 1021-36N	SESW	16359	36 10S	21E	WASATCH/MESAVERDE
4304735735	FEDERAL 1022-28O	SWSE	15285	28 10S	22E	WASATCH/MESAVERDE from MURD
4304736419	STATE 1021-36A	NENE	15035	36 10S	21E	WASATCH/MESAVERDE
4304738849	STATE 1021-36K	NESW	16084	36 10S	21E	WASATCH/MESAVERDE
4304735736	FEDERAL 1022-28M	SWSW	15286	28 10S	22E	WASATCH/MESAVERDE
4304736420	STATE 1021-36P	SESE	15372	36 10S	21E	WASATCH/MESAVERDE
4304738850	STATE 1021-36C	NENW	16396	36 10S	21E	WASATCH/MESAVERDE
4304734861	FEDERAL 29-10-22	SESE	14006	29 10S	22E	MESAVERDE TO WSMVD
4304735577	FEDERAL 1022-33O	SWSE	15080	33 10S	22E	WASATCH/MESAVERDE
4304735739	FEDERAL 1022-33E	SWNW	15193	33 10S	22E	WASATCH/MESAVERDE
4304735740	FEDERAL 1022-33M	SWSW	15373	33 10S	22E	WASATCH/MESAVERDE
4304735741	FEDERAL 1022-33L	NWSW	15511	33 10S	22E	WASATCH/MESAVERDE
4304735742	FEDERAL 1022-33G	SWNE	15404	33 10S	22E	WASATCH/MESAVERDE from MURD
4304735743	FEDERAL 1022-33C	NENW	15405	33 10S	22E	WASATCH/MESAVERDE
4304735744	FEDERAL 1022-33A	NENE	15539	33 10S	22E	WASATCH/MESAVERDE
4304737105	FEDERAL 1022-33D	NWNW	16502	33 10S	22E	WASATCH/MESAVERDE
4304737106	FEDERAL 1022-33F	SENW	16560	33 10S	22E	WASATCH/MESAVERDE from WSTC
4304737107	FEDERAL 1022-33K	NESW	16124	33 10S	22E	WASATCH/MESAVERDE
4304737109	FEDERAL 1022-33N	SESW	16126	33 10S	22E	WASATCH/MESAVERDE
4304737110	FEDERAL 1022-33B	NWNE	16561	33 10S	22E	WASATCH/MESAVERDE
4304735810	STATE 1021-36E	SWNW	14295	36 10S	21E	WASATCH/MESAVERDE